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# ***JPRS Report***

## **East Asia**

### ***Southeast Asia***

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EAST ASIA  
SOUTHEAST ASIA

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LPG EXPORT TO JAPAN PLANNED

Jakarta ANTARA NEWS BULLETIN in English 28 Aug 87 p A 5

[Text] Jakarta, August 28 (ANTARA) - Indonesia will start exporting 1.9 million tons of LPG (liquefied petroleum gas) per annum to Japan by the end of next year, K.A. Endin, public relations officer of the state-owned oil company Pertamina, told ANTARA here Thursday.

Endin said the LPG export scheme is in line with the construction of the Bontang (East Kalimantan) and Arun (Aceh) LPG refineries expected to be completed before the end of next year.

The Pertamina official said the first phase LPG exports is expected to be carried out in the second semester of 1988, after the first stage construction of the Arun refinery plant is completed in June next year.

The second and third phases of the construction of the Arun LPG refinery plants are respectively scheduled to be completed in October and December 1988, whereas of the Bontang project is expected to be completed in October in the same year.

The contract on the Japanese purchase for a period of ten years was signed here in July 1986.

Pertamina President Director A.R. Ramly said recently that Indonesia's LPG exports still stood at 528,000 tons annually and it would be stepped up to 2.35 million tons in 1989.

The plan to increase the export, he said, is based on the construction of the Arun and Bontang LPG refineries having a production capacity of an estimated 1.6 million tons and 0.3 million tons of LPG respectively, in addition to the 0.45 million tons of LPG produced around the Musi river, South Sumatra.

/13046

CSO: 4200/861

MURDANI ON NU'S POST-ELECTION ROLE

42130107d Jakarta MERDEKA in Indonesian 29 Jul 87 pp 1, 11

[Text] Jakarta, 28 July, MERDEKA--General L.B. Moerdani, the commander of the armed forces and of the Security and Order Command, warned that there should be no doubt at all among members of the NU [Nahdatul Ulama --Muslim Scholars Organization], as well as among NU officials, about showing attitudes which essentially constitute practical political activity. This would happen if they continue to use the NU as political organization.

General L.B. Moerdani made this statement in his speech at a reception for NU ulama [Muslim scholars] from throughout Java, at the Al Muayyad village religious school in Mangkuyudan, Surakarta Regency [Central Java] on 28 July.

He added: "The political rights which continue to be held by members of the NU, such as sympathizing or becoming members of a political party or of GOLKAR [Functional Groups party], should not be a reason for the NU as an organization to apply the NU line of struggle of 1926."

According to the commander of the armed forces, the decision to return to the NU line of 1926 means that the NU would return to it as a community organization which is active and has goals in the social field. This decision does not mean that the NU has destroyed the political rights of its members.

Wisdom

Regarding the decision of the NU not to have organizational relationship with political organizations which once functioned as part of the political activity of the NU, the commander of the armed forces and of the Security and Order Command declared that this also must not lead to differences of opinion between elements which have truly abandoned practical political activity and those who wish to continue to engage in such actions.

According to him, returning to the NU line of 1926 does not mean that the NU will return to the situation that existed in 1926.

He said that what the NU wishes to return to is the spirit of its struggle, without ignoring the present situation which is more advanced than it was in 1926. Therefore, the attitude of the NU at its 27th Congress and its policies

in dealing with the current situation, which have developed at the present time, reflect wisdom and intelligence in terms of the present situation and current conditions.

He stated: "It is with this kind of awareness that in view of present political developments, it would be proper for NU ulama to develop not only the Muslim community, but political figures who are active in practical political activities. It is also important to be aware of the need not to confuse the two roles."

He said: "Of course, we are all happy and thank God that the general elections of 1987 were carried out in a secure and orderly way."

He continued: "It was possible to create this kind of situation because of the dedicated efforts of every official assigned to carrying out the general elections and, of course, of state security officials. This is also because of the awareness by every participant in the general elections and the people themselves of the importance of maintaining stability and security."

He stated: "In this way it will be wise and sensible if every NU ulama could appreciate the different ways in which NU members made use of their right to vote in the general election. These different ways provide a dynamic picture of the manner of thinking and acting of every NU member."

#### Consolidation

The commander of the armed forces and commander of the Security and Order Command also warned that differences of political aspirations do not mean that there are differences of philosophy and objectives. Differences in political aspirations should be interpreted exclusively as differences in the kind of action taken to apply the same philosophy, that is, the Pancasila [Five Principles of the State] and in achieving the objectives of freedom, that is, the objectives contained in the preamble of the Constitution of 1945.

He added: "For that reason differences in voting in the 1987 general elections must not be debated or made the subject of conflict. Voting in accordance with the feelings of one's inner being is one of the freedoms of every citizen and is also in accordance with the policies of the NU leadership. This is also one of the freedoms of every member of the NU. Every political party and GOLKAR, as participants in the general elections, are political forces based on the Pancasila and have the purpose of achieving the objectives of the proclamation of independence."

Elsewhere in the speech the commander of the armed forces urged the NU ulama to continue to consolidate their efforts to implement their program of activity, in the framework of the NU line of 1926, avoiding conflict and all forms of differences of opinion. The community, mass organizations, political parties, GOLKAR, and the institutions of the state are a national and state system to achieve the objectives of independence. Therefore, do not be affected even to a slight extent by the emergence of conflicts and rivalries between components of this system. Each of the components of the system has its respective scope of activity and its own goals. What we need to try to achieve is harmony, adaptation to each other, and balance among all of these

components, because essentially in the life of the Pancasila, which is the philosophy and ideology of the Indonesian nation and state, we need to emphasize the basis of family, based on the development of consensus among the community.

The commander of the armed forces also invited every member, official, and leader of the NU, and particularly the ulama, to join in resolutely applying the successful results of the general elections of 1987.

He said again: "Every participant in the general elections, that is, the political parties and GOLKAR, supported by the armed forces and the people, has made a success out of the general elections."

He concluded: "Therefore, every political force, the armed forces, and the people must be thankful for the results of the general elections. On the other hand, there is no one who should feel disappointed, because every political organizations, the armed forces, and the people carried out their tasks in accordance with their respective scope and characteristics."

5170/12951

TWO YOUTH ORGANIZATIONS CONSIDERED DISBANDED

42130107e Jakarta TEMPO in Indonesian 1 Aug 87 p 18

[Article by Agus Basri; first paragraph is TEMPO introduction]

[Text] Since the deadline has expired, the PII and GPM are considered to have been disbanded. Will special considerations be brought into play?

There are no signs that the PII (Indonesian Islamic Students) has dissolved itself. A board with its name on it still stands in front of its office on Jalan Menteng Raya, Central Jakarta.

A number of activist members appear to move around its office and to be working steadily. Cholidin Yakobs, general chairman of the Executive Committee of the PII, told a TEMPO representative on 27 July, "We are still active, really, as usual." On the other hand, a few hours before that he was received by Mochamad Barir, director of community development in the Department of Home Affairs, in order to discuss the question of the continued existence of his organization.

Established in 1947, the PII now has 1,080 branches at the regency and city levels in 26 provinces. With a total membership of 4.5 million, it has come a long way. At present Law No 8/1985 threatens its continued functioning. It must adapt itself to this law and accept the Pancasila [Five Principles of the Nation] as its single founding principle.

For this reason Cholidin felt it was necessary to come for consultations, in accordance with the invitation of the Department of Home Affairs, dated 23 July. He came after Minister of Home Affairs Soepardjo Rustam, speaking before a session of Committee II of Parliament, said that he considered that the PII and the GPM (Marhaen Youth Movement) had dissolved themselves. The two youth organizations were considered to have exceeded the time limit allowed to adapt themselves to Law No 8/1985, and they did not register with the Department of Home Affairs by 17 June, as provided for in the law.

The PII has come to the end of the lines. However, Cholidin is still determined. He said: "If the PII is dissolved, that must be decided through a congress of the organization or through some kind of extraordinary conference." That is the right of the members, which is set down in the constitution of the organization.

According to Cholidin, every member of the PII in the provinces wants the organization to continue in existence. Jamaluddin Tami, general secretary of the Provincial Committee of the PII in Aceh, said: "If in fact the PII has been dissolved, there should be another form of organization which continues to be based on Islam." This was also the opinion of Zubair, chairman of the Provincial Committee of the PII in Central Java. He did not object to having the PII dissolved, provided there is a new form of organization like the PII and which is capable of helping its members to stand on their own.

The future of the GPM is something else again. Under the leadership of Rachmawati Soekarno as acting leader, the organization, which had split into factions, seemed to be rather inactive. Rachmawati said: "Basically, since 1982 the GPM has not been generally recognized." She meant since its leaders changed its founding principle from Marhaenism to the Pancasila and changed the name of the organization to Pemuda Demokrat [Democratic Youth]. This change was not accepted in many areas of the country, and, later on, Rachmawati was appointed a temporary leader by the GPM leaders. She said: "However, we were not recognized by the government. Therefore, for the time being, we have been inactive." She said that the GPM has never been contacted by the government in connection with registration as a mass organization.

However, in fact the Surabaya Branch Executive Council of the GPM registered itself with the local Directorate for Social and Political Affairs. This was done specifically on the basis of central government policy. Soepomo, chairman of the Surabaya branch of the GPM, said: "Rachmawati gave in completely to the wishes of the respective regional branches." In his view the basic founding principle of the GPM is still Marhaenism, social-national democracy, and the belief in God. He said: "This founding principle is not in conflict with the Pancasila."

In the view of Pieter Manik, chairman of the GPM for North Sumatra, if the GPM is not based on Marhaenism, this means that the teachings of President Soekarno are no longer accepted." He said: "If that is the case, it would be better for the organization to be dissolved. What is the use of accepting the Pancasila, if it is not fully consistent carried out?"

Apart from all of that, what is clear is that up to 25 July there were 780 organizations which had accepted Law No 8/1985. The curious thing is that there are some organizations which did not register under the law until July 1987.

Minister of Home Affairs Soepardjo Rustam did not answer a question about this last week. However, regarding the PII and GPM, which are considered to have dissolved themselves, he said: "All of that is in the regulations. Let them resolve their problem themselves."

Meanwhile, Minister of State for Youth and Sports Abdul Gafur considered that this was only an administrative question. He said: "Haven't they let the time limit of 2 years go by? Then they are dissolved."

5170/12951

BAN LEADS TO CLOSING OF BUYUNG NASUTION'S FIRM

Jakarta KOMPAS in Indonesian 1 Aug 87 pp 1, 8

[Text] Jakarta, KOMPAS--After stumbling several times, attorney Adnan Buyung Nasution, SH [master of laws], finally fell. Compelled by worsening conditions and continuous losses, the law firm he established 19 years ago has been dissolved. No longer wanting to use the services of his office, most of his clients had withdrawn.

"Closing down is an unexpected result of the suspension, or temporary cancellation, of my attorney's license by the minister of justice [MENKEH]," Buyung said in his final written statement before dissolution, which became effective officially yesterday, 31 July.

Buyung himself is still in the Netherlands in a program leading to a doctorate in law. For that reason, his wife handled the procedure for closing the office. Accompanied by her three children, she held a press conference in the office being vacated on the 10th floor of an office building on General Soedirman Street.

In a letter read by his son, Iken Nasution, Buyung said that when on 11 May the MENKEH suspended him for 1 year there was at first no thought of closing the office. The ruling was actually directed only toward Buyung himself as an attorney and was limited only to work in court. "Thus, the work of my colleagues in the firm, especially work outside of court, was actually not brought into question," he declared.

In reality, however, the effect of the action was felt quickly. Most of his clients, particularly those from large companies, withdrew, in spite of the fact they had been for years clients of Buyung's firm, which was called NSST (Nasution, Sudibyo, Sibarani, and Tjitrosoebono) Associates. Sudibyo, Sibarani, and Tjitrosoebono did not attend the press conference.

The withdrawal of those clients, Buyung continued, was a heavy blow to his colleagues and employees and resulted in a worsening situation. The closing of the office could no longer be avoided, he said.

Both Mrs. Adnan Buyung and her son, Iken, declined to respond when a reporter asked the number and identity of the clients who had "fled." They also did



not reveal the amount of losses caused by termination of legal services.

#### Not Ethical

"I feel it would not be ethical to discuss everything about the former clients of this office and that the decline in business is too much an internal matter to be talked about," Buyung's wife told the 25 reporters who attended the short press conference.

Several sources willing to give information said that following the suspension handed down by the MENKEH the flight of clients came as increasingly heavy blows. Indications of that became visible from the time the case of the experienced lawyer and former public prosecutor was processed by the Supreme Court, the MENKEH, and IKADIN (Indonesian Attorneys Association). The pressure was not too great at that time, however, because he still had the big clients, but there were very few new clients.

A number of potential clients have now escaped, including some large private national and foreign companies such as a U.S. bank in Jakarta, the largest herbal medicine company in Indonesia, and private companies from various other sectors.

NSST Associates reportedly spent 17 to 20 million rupiahs a month for office rent, maintenance, salaries of 15 employees and 8 legal specialists, and various other routine expenses. Such costs are considered normal for a modern law firm with complete facilities. There are in Jakarta several other law firms of this type with similar facilities.

Owing to a worsening imbalance between income and expenditures, NSST Associates had to be dissolved. "Private business clients normally make careful evaluation of risks in their work and in selecting business associates, including their law firms," Buyung said, trying to understand why his clients withdrew. In fact, he asked that clients who have been using the services of his law offices forgive him for the closing.

Buyung specifically expressed his view that the withdrawal of clients was a result of uncertainty in the law. The ever-tightening grip of the bureaucracy of power has increasingly narrowed the room for movement and independence and has produced lamentable legal conditions. That is one of the reasons for his plan to sue the MENKEH. He feels his suspension was contrary to the law.

"It is a tragic ending," said Mulya Lubis, SH, LLM, who happened to attend the press conference. Particularly in Indonesia, there are still only a few law firms like NSST Associates, with its modern management and large investment. They can be counted on one's fingers, he said.

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CSO: 4213/0108

BAN ON MARHAENISM CLARIFIED

Jakarta KOMPAS in Indonesian 7 Aug 87 p 12

[Excerpts] Surabaya, KOMPAS--Various inequalities in life can cumulatively create conditions that do not fulfill the aspirations and legal interests of members of the community. That statement was made on Thursday (6 August) at the Brawijaya Soldiers Building on Raden Wijaya Street, Surabaya, by PANGDAM [Commander of Military Region] V/Brawijaya Major General TNI [Indonesian National Army] Saiful Sulun in his capacity as chairman of Region E Sociopolitical Council (KEWANSOSPOLDA-E).

Marhaenism Still Banned

In his guidance to ABRI personnel in nonmilitary positions in East Java, Maj Gen Saiful Sulun also warned of desires by certain people to resurrect "Marhaenism" and the "cult of the individual" focused on Bung Karno [former President Soekarno]. "I reemphasize this because we should have an unequivocal attitude toward saving the younger generation from ignorance of our national struggle and misunderstanding in their perception of Bung Karno," Saiful Sulun declared.

Related to that, PANGLIMA Saiful asked the ABRI personnel to provide clarification in their respective spheres. Such clarification should include facts of history about Bung Karno's struggle for national independence but should also encompass his mistakes and shortcomings.

"Presentation of the facts of history does not mean we do not respect Bung Karno. It merely puts matters in their true and accurate perspective. In that way, the community and the younger generation will not look on Bung Karno as a 'god' who had no faults," Saiful Sulun emphasized.

In a rather high-pitched voice, East Java PANGKOPKAMTIBDA [Commander of the Regional Command for Restoration of Security and Order] Saiful expressed his hope that a presentation of the facts of history will prevent the resurgence of "Marhaenism," which is not compatible with the national philosophy and is therefore categorically prohibited.

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CSO: 4213/0108

NU CHIEF SPEAKS ON PESANTREN'S ROLE

42130107a Jakarta PELITA in Indonesian 21 Jul 87 pp 1,9

[Text] Jakarta, PELITA--A 4-day seminar on the educational system in Indonesian village religious schools (pesantren), which was held in Berlin, Federal Republic of Germany, attracted groups from the foreign educational world to study more intensively the problems of village religious education in all of its aspects.

This was brought out in an interview that a PELITA representative had with K. H. Abdurrahman Wahid, the general chairman of the Executive Committee of the NU [Nahdatul Ulama--Muslim Scholars Organization], in his office, after he had attended the seminar, which was held from 9 to 12 July.

He said that the results of the seminar on village religious schools in Berlin were rather encouraging. This was evident from the plans for the next step by the seminar in taking followup action, such as the formation of working groups, the monitoring of the role of village religious schools in development ethics, the study of the relationship between village religious schools and community development, and the concept of village religious school education in Indonesia.

There were seven Indonesian participants in the seminar, including: Nasichin, Muchtar Abbas, Adi Sasono, H.M. Yusuf Hasyim, and K.H. Abdurrahman Wahid, who presented a working paper entitled, "Principles of Pesantren Education."

Foreign educational experts and institutions which had worked with village religious schools pried into the system of village religious schools were deeply at the seminar. This forum was also an effort to achieve a more detailed understanding of village religious schools by educational circles, Gus Dur [nickname for Abdurrahman Wahid] said.

In his working paper Abdurrahman Wahid spoke at some length on the history of village religious schools in Indonesia. He said that the situation during the colonial period led village religious school groups to avoid collaborating with the government authorities at the time. Indeed, the village religious education world was able to develop its own sub culture in the structure of the Indonesian nation.

According to Abdurrahman Wahid, education in village religious schools is able to achieve results with the children under its care by developing an attitude of self-reliance and discipline during the time the pupils are in their care. Abdurrahman Wahid said: "The central point of village religious schools is the formation of the character of the students."

According to Abdurrahman Wahid, education in the village religious schools has been the objects of extensive research by various groups. Among others, Sydney Jones carried out research in a village religious school in Kediri, East Java, while the research carried out by Zamakhsyari Dhofier at the time involved will bring him a doctoral degree.

As central figures in the village religious schools, the kiyai [Muslim religious officials] also have a role in supervising economic and political activities affecting their pupils. In this connection the leadership role of the kiyai is influenced by the doctrine of Sufism [Muslim mysticism] in transferring religious knowledge from one generation to the following generation of pupils.

Abdurrahman Wahid also mentioned that in forming the system of values in the life of the village religious schools the role of the kiyai in the system of education, as directly handled by themselves and also through a number of assistants, is rather influential in influencing the characters of the pupils.

5170/12951

FOOD SHORTAGE THREATENS EAST NUSA TENGGARA

Jakarta KOMPAS in Indonesian 3 Aug 87 p 9

[Excerpt] Kupang, KOMPAS--Food supplies in NTT [East Nusa Tenggara] will fall short by the equivalent of about 29,013 tons of rice as a result of drought caused by minimal rainfall during the 1986-87 planting season. Drs Piet Jemarut, chairman of the NTT BAPPEDA [Regional Development Planning Board], made this statement in Kupang on Thursday night (30 July) in amplifying a report that NTT Governor Ben Mboi made on the food situation to Bustanil Arifin, minister of cooperatives/KABULOG [chief of the Logistics Bureau].

Piet Jemarut said this estimate of the food shortage differs from initial calculations. The NTT Agriculture Service had earlier projected that NTT would have a food surplus of an equivalent of about 28,316 tons of rice. The estimates were changed after no rain fell in February and March, when plants needed water.

Consequently, in April a food shortage equivalent to 10,000 tons of rice was projected. Worsening conditions after April caused the shortage estimated in July to be the equivalent of 29,013 tons of rice.

Reports from the 12 regencies in NTT at the end of July revealed that food shortages threaten 72 of 156 subdistricts. These encompass 473 of 1724 villages and have a population of 115,346 families (549,723 persons) or about 20 percent of NTT's total population of 3,029,061 people.

He stated that of the 473 villages threatened by food shortages, conditions in 210 of them are very serious, 147 are moderately serious, and 103 are slightly serious. The regencies of East Flores and East Sumba have the largest number of villages where conditions are very serious.

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CSO: 42130108

SUBROTO ON CONSTRUCTION OF NUCLEAR POWER PLANT

42130107b Jakarta SUARA KARYA in Indonesian 22 Jul 87 p 4

[Text] Jakarta, SUARA KARYA--In Indonesia there needs to be at least one commercial PLTN (Nuclear Electric Power Center), although from the beginning it must be realized that the use of nuclear energy of that kind involves certain dangers.

It is hoped that with such a plant available, there will be a basis for considering whether or not there should be further development of nuclear energy for electricity generation, in order to meet national energy requirements.

Professor Doctor Subroto, minister of mines and energy, speaking at the Third National Energy Seminar - 1987 in Jakarta on 21 July, said that the concept of a PLTN needs to be considered in a mature way. This is because, on the one hand, the supply of petroleum, one type of energy source which is now much needed, is very limited. On the other hand, the use of PLTN's involves certain dangers.

He mentioned the Three Mile Island and Chernobyl cases as examples of the dangers in nuclear energy. These are examples of the vulnerability of installations to leaks as well as the misfortunes and dangers which can become realities.

Subroto, speaking before the seminar, which will continue until 25 July, said: "Therefore, the government will not act hastily in making a decision on the question of the use of nuclear energy."

At present a small, 30 megawatt research reactor is being constructed in Serpong. It will be used to study the various things in the use of nuclear energy. With the experience thereby obtained, nuclear technicians can be trained in the future.

The minister said: "Indeed, it is often asked whether, with our abundant sources of energy, we need nuclear energy as a source in meeting our energy requirements."

According to Subroto, a question like that cannot be answered with a "yes" or a "no." This is because the answer must be based on long range thinking which is founded on a strategy for meeting our energy requirements.

With our rate of growth and the results of the development program being undertaken, if energy management is not properly handled, it is estimated that future Indonesian domestic energy requirements will increase to a rather disturbingly high level, compared with existing sources of energy.

#### Problem of the 21st Century

Although there are still some differences of opinion, in general it can be concluded that by the year 2010 energy requirements will amount to between 700 and 800 STM (Barrels of Oil Equivalent). This amount to 2.9 to 3.2 times the present energy use.

Furthermore, according to Subroto, building a PLTN requires a rather long time--at least 10 years.

Therefore, if it is now decided to construct a PLTN, with the still incomplete experience that we have it is expected that such a center could only be placed in operation by the beginning of the 21st century. Therefore, the question of the construction of a PLTN and its possible development is a question for the 21st century.

In making these statements Minister Subroto warned that this does not mean that the government has decided to construct a PLTN. These questions are some of the considerations, but there are still many other matters which are also receiving attention from the government, including those involving the ecology and environmental safety.

5170/12951

# INITIAL FUELING OF REACTOR REPORTED

42130107c Jakarta KOMPAS in Indonesian 23 Jul 87 pp 1, 8

[Text] Jakarta, KOMPAS--On 23 July the 30 megawatt Multipurpose Reactor (RSG) of the National Atomic Energy Board (BATAN) at the Science and Technology Research Center [Puspiptek] in Serpong began to be loaded with fuel. This was stated by Engr Djali Ahimsa, the director general of BATAN, who, together with his staff, testified before Committee X of Parliament on 22 July.

According to Engr Bakri Arbie, the chief of the RSG center, the fuel placed in the nucleus of the reactor is aluminum uranium oxide ( $U_3O_3-Al$ ), whose Uranium 235 content has been enriched to 19.75 percent.

By loading the reactor nucleus with these fuel elements the RSG, whose construction has been under way since 1982, is nearing the operational phase. If the effort to load it with fuel is successful, the RSG will be placed in operation at the end of this week. It is planned that the formal dedication of the RSG itself will be presided over by President Soeharto on 20 August.

The testimony before Committee X was followed by a visit to the RSG location and the Fuel Element Production Installation Facility, which is not far from the RSG.

According to the director general, the RSG, whose installations and equipment werebuilt by Interatom GmbH, in the Federal Republic of Germany, cost 171 million DM [Deutschemarks], or, at the present rate of exchange, 153.9 billion rupiahs. Out of this total, 30 million DM were provided in the form of a grant, while the remaining 141 million DM must be paid by Indonesia in installments.

## Third Ranking in the World

The director of BATAN told the members of Committee X of Parliament, whose chairman is R. Ng. Bambang Supangat, that the BATAN Multipurpose Reactor at Serpong is one of the 10 best reactors of this type in the world. Sutaryo Supadi, the deputy director of BATAN, stated that in terms of the number of neutrons emitted, the RSG in the third largest reactor in the world, following similar reactors in Grenoble, France, and the Brookhaven Laboratory reactor in the United States.



The director general of BATAN said that the RSG, although it is operated by the Federal Republic of Germany, is also a good vehicle for the transfer of nuclear technology to Indonesia, because in the course of its operation BATAN is training Indonesian technicians. In that way Indonesia is developing a great deal of skill in research on nuclear components of the Nuclear Electric Power Center (PLTN).

Over the short to medium range the RSG will be used to develop nuclear technology and produce isotopes, an increasing number of which will be used in the fields of medicine, biology, agriculture, chemistry, and physics.

In answer to members of the committee, who asked about the safety aspects of the reactor, the director of BATAN said that a number of security steps have been taken. Indeed, they have been planned from the time the construction of the reactor was begun. The security system itself has been provided with triple redundancy to ensure the safety of the reactor.

Regarding the PLTN

In answer to a question from a KOMPAS representative on progress made in plans for the construction of a PLTN the director general of BATAN said that of the six companies competing in the bidding for its construction, two of them have already turned over feasibility studies. These firms are Kraft Werk Union (KWU) of the Federal Republic of Germany and Framatom of France. The other firms are working on their proposals for submission in the near future. These firms include the Westinghouse Group (United States), Mitsubishi (Japan), Ansaldo (Italy) and AECL (Canada).

So far the location chosen for the PLTN is an area north of Jepara (Central Java), in the villages of Ujung Watu, Ujung Piring, and Lakbondo.

The director general of BATAN declared that the function of BATAN is exclusively to prepare studies and to train technicians. The decision whether or not to build the PLTN is outside the powers of BATAN. However, if it is anticipated that nuclear energy will be used in the 21st century, it should be noted that there are only 13 years left in the present century. Therefore, preparations should be made now, bearing in mind that, from the time the original decision is made until it enters into operation, the waiting period for the construction of a PLTN is about 10 years.

5170/12951

## BRIEFS

SATELLITE LAUNCHING GROUND INVESTMENT--Jakarta, September 1 (ANTARA) - Indonesia is open for foreign investors wishing to build a satellite launching ground in the country, Tourism, Post and Telecommunication Minister Achmad Tahir disclosed here Monday. He said a group of foreign companies had already taken the chance and was at present making a feasibility study, which will be reported within a week. He declined to mention the name of the country of the group of foreign companies but firmly stated that it was not a socialist country. For the materialisation of the project a joint-venture company would be set up, he explained. Indonesia has already had a satellite launching ground operated by the National Aerospace and Aviation Agency (LAPAN) in Pameungpeuk, in the southern coast of West Java. [Text] [Jakarta ANTARA NEWS BULLETIN in English 1 Sep 87 p A 1] /13046

NEW AMBASSADORS SWORN IN--Jakarta, August 31 (ANTARA) - President Soeharto Monday swore in 14 new Indonesian ambassadors. The 14 new ambassadors sworn in at the State Palace Monday were: Maj. Gen. (Ret.) Nasrun Syahrudin to Turkey, Rear Marshal Roesman to Australia, Kusnadi Pudjiwinarto to Tunisia, A. Kobir Sasradipoera to Bulgaria, H.R. Enap Suratman to Czechoslovakia, Rony H. Kurniadi to the Holy See, Vatican, Lieut. Gen. (Ret.) Yogi Supardi to Japan, Soewarno Danusutedjo to Brazil, Peru, Bolivia and Colombia concurrently, Teuku Mochtar Thajeb to Ethiopia, Joedo Soembono to Venezuela, Trinidad and Tobago concurrently, David Napitupulu to Mexico and Cuba concurrently, Sanadji to People's Democratic Republic of Korea, Ambiar Tamala to Poland, and Rachadi Iskandar to Italy and Malta concurrently. Each of them is to be at his assigned post for a three-year term. [Excerpts] [Jakarta ANTARA NEWS BULLETIN in English 31 Aug 87 pp A 5, A 6] /13046

RETURNED BORDER CROSSERS RESETTLEMENT--Jayapura, August 14 (ANTARA) - The number of border crossers from Irian Jaya who had chosen to return to their villages in Irian Jaya from their exile in Papua New Guinea had reached 4,005 families (consisting of 6,904 persons) since December 1984 till July 1987, Irian Jaya Governor Izaac Hindom told ANTARA. However up to now 2,095 of these families still had not found proper housing and are still accommodated in emergency barracks, the governor said. So far only 1,910 families of the border crossers who had returned to Indonesia (Irian Jaya) had been provided proper though small houses in a number of settlements spread in the regencies of Jayapura, Jayawijaya and Merauke. Governor Hindom said his provincial administration had been short of funds for creating settlements and building houses for the rest of the border crossers who therefore still had to stay in emergency barracks [Text] [Jakarta ANTARA NEWS BULLETIN in English 27 Aug 87 p A 1] /13046

NORMALIZED MONETARY SITUATION CITED--Jakarta, Sept. 2 (ANTARA) - The governor of the central bank Bank Indonesia, Arifin M. Siregar, stated here Wednesday that the public has now been convinced that there will not be another devaluation nor a limitation of foreign exchange traffic following the recent series of monetary measures adopted by the government. Speaking to the press after a limited cabinet meeting presided over by President Soeharto at the Bina Graha presidential office, he further said that the domestic monetary stability, which is very important to encourage sound development activities, has been recovering. Answering a question, Arifin Siregar also said that the deposit interest rate has now decreased to around 17 to 18 per cent from the previous level of about 23 per cent. With such a situation, he hoped that the credit interest rate would also decrease soon. [Text] [Jakarta ANTARA NEWS BULLETIN in English 2 Sep 87 p A 8] /13046

OVERSEAS OIL PALM INVESTMENT STUDIED--Jakarta (Business News) - Indonesia is studying the possibility of oilpalm industrial investments abroad, in response to the US soybean producers association's intensified effort to reduce palmoil marketing in the world, according to Agriculture Minister Achmad Affandi. Speaking to newsmen after installing echelon-II officials at the Ministry of Agriculture here last weekend, Affandi said that Indonesia should not worry too much about the measures against palmoil marketing. But nevertheless, "we should try to face and solve the problem among others by making oilpalm industrial investments overseas". About ten percent of the capital invested in the domestic oilpalm processing industry will be enough for the overseas ventures, in such countries as Egypt, Jordan, or others in the Middle East, he indicated. Regarding the possibility of such investments in East Europe, he said that East European countries needed low CPO (crude palmoil) grade production. Indonesia oilpalm plants meanwhile produce European quality CPO. [Text] [Jakarta BUSINESS NEWS in English 2 Sep 87 p 6] /13046

SUPPORT FOR PLO REAFFIRMED--The Indonesian Government continues to support the struggle of the Palestinian people and of other Arab nations in their efforts to oppose Israeli aggression. President Soeharto gave this assurance of support to Sami Al-Musallam, special representative of the PLO, at the Bina Graha offices on 21 July, when the representative also delivered a personal message from PLO leader Yasser Arafat. The call on the chief of state was made to discuss efforts to bring an end to the Iran-Iraq war and to calm down the situation in the Persian Gulf. The PLO special representative also discussed the importance of this question, which will be raised at a special meeting of the countries belonging to the Islamic Conference Organization (ICO). In the view of the PLO this meeting is very important to achieve peace in the Middle East, in accordance with the United Nations Resolution which was adopted in Algiers in 1986. This meeting must involve all countries which are involved in the conflict in the area, including the PLO, which represents Palestine. The special representative also described to the president the recent situation affecting the struggle of the PLO, the question of the Arab lands occupied by Israel, and the question of Palestinian refugees in Lebanon. In this courtesy call on 21 July he was accompanied by Ahmad Al-Farra, PLO ambassador to Malaysia, and was escorted by Nana Sutresna, director general for political affairs in the Department of Foreign Affairs. [Text] [42130107e Jakarta ANGKATAN BERSENJATA in Indonesian 22 Jul 87 pp 1, 7] 5170/12951

SUDOMO ON WORKER LAYOFFS--The minister of manpower will take legal action against companies which dismiss workers [PHK]. If the situation affecting the company cannot be helped in any other way, employees can be dismissed, provided that their rights are respected. This was stated by Minister of Manpower Sudomo at a press conference at the Department of Manpower on 27 July. The minister said: "It is not acceptable for all companies to dismiss workers on their own." Prior to authorizing the dismissal of workers the Department of Manpower will ask that the finances of the company involved be audited by a team from the Department of Finance. If the results of the audit indicate that the company no longer can continue in business, only then can employees be dismissed. As far as possible, the dismissal of workers should be resolved between the employees and the company involved. If agreement is not reached, the Department of Manpower will intervene. If there is still no agreement, the question will be taken to the regional office of the Committee for the Resolution of Labor Disputes (P4D). If this does not lead to a satisfactory resolution of the matter, an appeal will be made to the central office of the Committee for the Resolution of Labor Disputes (P4P). According to Sudomo, there are three reasons for personnel dismissals: first, because a contract has been completed; secondly, because the workers are not properly disciplined; and thirdly, because of a management failure in the company involved. It is this third reason which should be prevented as much as possible. [Text] [42130107f Jakarta KOMPAS in Indonesian 28 Jul 87 p 2] 5170/12951

NU-MUHAMMADIYAH RELATIONSHIP IMPROVING--Relations between the NU [Nandatul Ulama--Muslim Scholars Organization] and the Muhammadiyah, which have become increasingly close, are intended to reduce differences between the two largest Islamic organizations in Indonesia. K.H. Ahmad Siddiq, general chairman of the NU, said in a statement to a KOMPAS representative in Jember [East Java] on 19 July: "Thank God, this cooperation has been welcomed by both sides. On 18 July Kyai Fachruddin, general chairman of the Muhammadiyah, came to Jember for the second time to return the visit I had made to his home in Yogyakarta." The general chairman of the NU thinks that this hand in hand relationship between the NU and the Muhammadiyah has developed because there is a desire to reach a common viewpoint on national and community affairs. Meanwhile, other, special issues will evolve in their respective ways, in a manner resembling the concept of unity in diversity [Bhineka Tunggal Ika, Indonesian national motto]. When the NU and the Muhammadiyah have reached a common point of view, there will be no further problem as to whether or not it is necessary to have a formal association to link them. [Text] [42130107f Jakarta KOMPAS in Indonesian 21 Jul 87 p 1] 5170/12951

DROUGHT DAMAGES FOOD CROPS--Jakarta, Monday [3 August], MERDEKA--Primary food production areas are now being hit by serious drought. By the end of July, 79,371 hectares of rice and other food crops in several provinces had suffered heavy damage. Information obtained by MERDEKA on Monday from the Department of Agriculture in Jakarta also indicated that about 35,000 hectares are so seriously damaged they are considered a total loss. The area suffering the most disastrous drought has been West Nusa Tenggara, where as of June 27,513 hectares of food crops have been damaged, of which about 20,000 hectares are a complete loss. In North Sumatra, 16,114 hectares have been heavily damaged, of which about 5,000 hectares are a total loss. In Aceh, 13,172 hectares have been heavily damaged, of which 1,848 hectares are a total loss. Drought has struck nearly all the provinces of Java. The most seriously affected are northern West Java, central and northern Central Java, and northern East Java. [Text] [Jakarta MERDEKA in Indonesian 4 Aug 87 p 1] 6942

AMIRMACHMUD ON OLD ORDER--H. Amirmachmud, chairman of Parliament, again declared that during the final period of the Fourth 5-Year Plan there are still efforts being made by the Old Order [organizations active during the Sukarno period] to come back, both in a cultural as well as in a structural way, involving groups of the extreme Left and the extreme Right. He warned that this should be watched carefully, because if it is allowed to continue, it can be exploited by subversives, who finally will be able to push to one side and break up the New Order. In connection with that we are urged to maintain our vigilance, to reflect on this matter, and to take political action in accordance with Pancasila Democracy. In that way national union and unity, which have been properly welded together, will not again be damaged, because this would certainly lead to national disunity. Amirmachmud expressed this view of the political situation during the final phase of the Fourth 5-Year Plan and in anticipation of the beginning of the Fifth 5-Year Plan. His remarks were made in his speech before a plenary session of Parliament, which closed the fourth session of the 1986/87 legislative year on 25 July 1987. [Text] [42130107a Jakarta PELITA in Indonesian 28 Jul 87 p 12] 5170/12951

'TALK' COLUMN: PENTAGON PURSUING GERM WARFARE R&D

42060120c Vientiane PASASON in Lao 25 Jun 87 p 3

["Talking Together" column: "Pentagon Uses Germs For Weapons"]

[Text] Along with increased production of nuclear weapons as well as chemical and ordinary weapons, the Pentagon is also involved in testing and producing germ weapons, and these have now become a danger threatening mankind with disaster.

According to the mass media, the United States has been carrying out research on the use of different kinds of germs for weapons for over 30 years. An important research center for the Pentagon is located at Fort Detrick in Maryland. Last year the Pentagon gave approximately \$2 million to the (Maconlet) Company for research and production of germs called (rif-wenle). Similar orders were also given to (Sintro) Corporation, General Electric, Martin Marietta, etc. Tens of research and testing centers at universities and at various institutes in the United States have become sources for developing germ warfare for the Pentagon. In the fifties and sixties, tests were conducted on 240 occasions in the Hawaiian Islands, San Francisco, New York, Washington, etc., into the possibility of spreading germs using sea foam and the wind. Last year alone the Pentagon spent \$42 million on 57 projects for creating various types of germ weapons. The research and testing that is now being carried out in the United States has become a great danger because no one can guarantee that there will not be dangerous leaks from the laboratories. In 1979, AIDS (acquired immune deficiency syndrome) was found for the first time in the United States. Research technicians who have studied this disease say that AIDS is the most dangerous disease of this age and that it has come about because of carelessness in producing germ warfare weapons. According to estimates by the World Health Organization, approximately 1 million people have AIDS.

The dangerous research of the Pentagon has caused concern to the world public. Such activities not only violate the agreement signed in 1972 banning research, production and storage of germ weapons and toxins and eliminating them, but are anathema to the world public. It is for this reason that the actions of the Pentagon that go against the wishes and desires of the age and against the new thinking of the world have been condemned and protested strongly. If the Pentagon continues on in its dangerous path, it will surely be isolated by other nations.

COLUMN COMPARES U.S. 'WARS' IN LAOS, NICARAGUA

42060126b Vientiane PASASON in Lao 14 Jul 87 p 3

["Talking Together" column by Leut Saisana: "From a Special War in Laos to an Undeclared War in Nicaragua"]

[Text] Worldwide interest in the undeclared war of the Contra reactionaries is no different from the previous attention to the war in Indochina. If we analyze what is happening in Nicaragua, we see the same thing as previously occurred in the special war in Laos.

WORLD TODAY, a magazine published in the United States, reported recently that both wars were under the command of the CIA and that most of their henchmen were members of minority ethnic groups in Laos and Nicaragua. Humanitarian aid in these two nations has become an important tool for maintaining stability for the special forces. It is very clear that the drug trade works against the people making a living in Nicaragua and Laos.

Shackley, a bloodthirsty member of the CIA, was a driving force in commanding the special war in Laos and also had an important role in helping to incite against peace and happiness in such countries as Cuba, Chile, Iran and Vietnam.

Shackley entered Laos in 1965 as assistant commander of the CIA network, and a year later he became the CIA supreme commander in Laos. In 1968 Shackley was transferred to Saigon, but he remained in direct command of the special war in Laos until 1972, when he was transferred to command of the CIA network in Latin America. Since he left the Indochinese and Southeast Asian battlefields, he has been serving at his new post. At that time the Indochina war was not going in their favor.

Going back to 1965, the special war in Laos was started with the idea that if Laos entered the U.S. orbit, it would become a strong force against the war in Vietnam. Therefore, the U.S. Government hoped to strangle the Lao forces. After the cease-fire agreement in Laos in 1962, the United States no longer had the right to have military advisers, including special forces, in Laos. Thus, the United States used the CIA to interfere, restrict and apply pressure. The war vehicles brought into Laos by the United States were used to attack minorities, especially Mong tribesmen, in the same way

that the Miskito Indians are being used in Nicaragua. The CIA insinuated itself into the way of life and customs of the Mong and organized special force units with the aim of overthrowing the opposition. Later, the special force units were maintained by the illegal assistance obtained from the CIA to resist the ceasefire agreement in Laos. The special force units commanded by Vang Pao received good cooperation from the U.S. Air Force under direct command of the CIA in all activities. No matter how many times a night Vang Pao turned in his sleep, it was reported to the CIA. All these activities were under the command of the CIA, and White House. Colonel Harry Aderhold, who was the unit commander, has now been transferred to Latin America. Richard (Leegross) was given responsibility for the activities in Laos using the military base in Udon, Thailand. This new information revealed that it was Vang Pao himself who provided transport planes for the U.S. activities in Latin America.

Although the United States trained an extensive CIA network, Laos is all mountains and forests, and paratroopers had to be employed. Using this lesson, Hassenfuss and his men along with a U.S. airline provided assistance to the Contra reactionaries in (Ilopango), Nicaragua. However, Hassenfuss's evidence was seized by the Nicaraguan Army in the course of carrying out their duties in this area.

Previously the U.S. AID was closely involved with the CIA. The group of people who used to work for U.S. AID in Laos are now working for U.S. in Nicaragua with the backing of the U.S. State Department.

When it was carrying out its special war in Nicaragua and Laos, the CIA encouraged the Mong to grow opium and heroin that was then transported by the U.S. airline, resulting in a rapid increase in the income of the Mong. A report by the (Scholastic Institute) legal organization confirms that Shackley suggested to Vang Pao that he join the CIA, and now Shackley is using the drug trade so that the money earned from it will go to help the Contras in Nicaragua.

Although the special war in Laos was defeated, the CIA and Shackley learned from Laos how to select a minority and use the drug trade as a means to pursue the provocation of special warfare.

The lessons that the CIA and the White House should never forget about the special warfare in Laos is that all illegal activities and interference and the overthrow of independent governments, whether in Southeast Asia, in Latin America or anywhere in the world, will all be defeated sooner or later.

9884/12851



'TALK' COLUMN CITES U.S. 'SUPPORT' FOR POL POT

42060125b Vientiane PASASON in Lao 15 Jul 87 p 3

["Talk" column by Leutsaisana: "Pol Pot--the Dustbin of History"]

[Text] What Pol Pot has done shows that he has no way out. It is true that he has survived because of support from his bosses in Washington, Beijing and Bangkok, who have given him a place to live and train and provided Thai soil to use as a stronghold. However, all this is of no avail. There is no need to talk about someone far away, for even Sihanouk, who is a member of the so-called "Coalition Government of Democratic Kampuchea" (CGDK), has said that the Pol Pot clique and the Khmer Rouge acted against human rights during the years they were in power, and even now they continue to violate human rights in their detention camp.

ASEAN has been an instigator in supporting these people, but at the meeting in Singapore it announced that it would isolate the Khmer Rouge and reiterated that it does not want the return of Pol Pot. Mr William Hayden, Australian foreign affairs minister, stated at this meeting that Pol Pot would be unacceptable, and that eliminating him would be an important step. U.S. Secretary of State George Shultz himself stated at this meeting that Pol Pot and the Khmer Rouge should not come back to regain power.

The public in England, the United States and in other Western countries has clearly seen the crimes committed by the murderous and genocidal Pol Pot clique.

Cambodians outside the country as well as the progressive people of those countries have organized many efforts demanding that an international court punish the Pol Pot clique. On 22 May the INTERNATIONAL HERALD TRIBUNE carried an article under the headline "Genocide" which cited the cruel acts committed by the murderous and genocidal Pol Pot clique and demanded that they be tried in an international court.

Only those who are deaf and blind still support the Pol Pot vampire, and sooner or later Pol Pot will be condemned and consigned to his proper place now and in the future, and that is to the dustbin of history.

9884/7358

PROBLEMS, GOALS IN FUTURE COOPERATION WITH SRV REVIEWED

42060129b Vientiane PASASON in Lao 8 Jul 87 p 3

[Article: "Sacred Task of Laos-Vietnam Cooperation in the New Phase"]

[Excerpt] The all-round cooperation between Laos and Vietnam has led to many achievements in all areas of work, but when compared with the needs of both sides in the new phase of the revolution, it represents only a preliminary victory in each nation. Both sides still face difficulties in regard to materials, capital and experience; the economy has been obstructed; and the enemies are continuing their propaganda and distortions.

To meet this problem, the cooperation and assistance of our two nations in the future will have to be even greater than before.

At a meeting to coordinate the 5-year plan (1986-90) between Laos and Vietnam, the directions, duties and goals that must be carried out were listed as follows:

Joint work in agricultural production is aimed at solving the food problem. In cooperating in small-scale industrial production and handicrafts--first of all, items of daily use necessary to raise the people's standard of living--the aim is to decrease purchase orders from capitalists and to broaden and increase the amount of goods exchanged, production contracts, and service between the centers as well as localities of the two nations. The aim is to help one another to distribute and promote production and to expand exports and imports with the nations in the region, primarily the socialist nations.

We must continue to assist one another in order to revive and gradually set up a number of important material-technical bases to serve agricultural production, irrigation, wood manufacturing, communications, and industrial production for household items and for export, and we must continue to look out for, allocate and plan the bases. We must first of all focus on the heavy rice-growing areas, tree-cutting, manufacturing and reforestation in the red dirt and Mekong River areas. We must continue geological studies and the training of scientific, technical and managerial cadres.

Based on the direction, duty and goals mentioned above, the 1986-90 Laos-SRV cooperation plan specifies the following tasks: carry out survey work in

support of heavy rice-growing areas, irrigation areas, hydropower plants, wood cutting and manufacturing, and reforestation; continue geological studies and excavation, survey and design work for the purpose of constructing vertical and horizontal routes to the Vietnam Sea; survey and design railroads and the use of water routes; continue joint work on excavating gypsum in Dong Hen; continue Route 8 construction, cutting trees, and contract work on production to produce household items and manufacture forest and ricefield products; continue contracts on construction such as irrigation, industrial work and hydropower projects, and contracts on construction projects in cooperation with third-party nations; continue cadre training and goods exchange at the central level for both countries, and strengthen the twin relationship and the cooperation between localities in the two countries. All this must be carried out during the 1986-1990 5-year plan in order to make possible implementation of the long-term plan up to the year 2000.

The fruition of the cooperation and the future policy of the peoples of our two nations will be greatly enhanced by cooperation in many comprehensive plans. The new cooperation will become a beautiful garden of special relations and all-round cooperation between Laos and Vietnam. Because we are strong in natural resources, experience and the correct and brilliant leadership of the parties in each nation, there is no doubt that we will achieve a glorious victory in carrying out cooperation and the socialist construction of each nation. A brilliant future is awaiting us.

9884/7358

SRV AID SAID TO ENHANCE ROUTE 9 QUALITY

42060125c Vientiane PASASON in Lao 15 Jul 87 p 2

[Article by Phou Attama: "Laos-Vietnam Friendship on Route 9"]

[Excerpts] The building of strategic Route 9 to the sea east of the LPDR in Savannakhet Province, a distance of 240 km, representing our nation's number one construction, was begun in 1980. Each phase of the construction has met with steady success, with the cooperation and assistance of the fraternal socialist nations such as the Czechoslovak Socialist Republic, the People's Republic of Bulgaria, and the Hungarian People's Republic; assistance in the form of expertise, technology and complete construction equipment from the USSR; and also technical assistance and workers from the 384th Division of the SRV.

In particular, the Government of the SRV has provided the assistance of technical cadres and workers of the 384th Division under the Phou Louang Armed Forces for construction which began in the midst of the rainy season in 1978, extending from Lao Bao at the Laos-Vietnam border to Tha Kong in Sepone District, a distance of 44 km. The construction was carried out with revolutionary fervor by the Vietnamese armed forces and workers assigned to the task until its completion. The official handover between the Lao and Vietnamese governments took place on 28 November 1984.

The road is a fourth-grade one paved with asphalt, 6 percent hilly and 9 meters wide. The paved asphalt portion is 6 meters wide. Cars are able to travel at speeds of up to 60-80 km per hour.

The second phase of construction on Route 9 by the cadres and workers of Division 384, consisting of 30 km from Km 142 to Km 172 in Phin District, was begun in early 1984 and was completed as planned. It was officially handed over on 16 May 1987. It is a standard fourth-grade engineered road. It is 12 meters wide with 2.5 meters of road shoulder on each side. Over the distance of 30 km there are four medium steel-reinforced concrete bridges with a total length of 152 meters.

9884/7358

STATE PLAN DEPUTY CHIEF INTERVIEWED ON SRV COOPERATION

42060125d Vientiane PASASON in Lao 16 Jul 87 p 2

[Interview with Comrade Khamphet Phengmeaung, first deputy chief of the State Planning Commission and deputy chairman of the Laos-Vietnam Sociocultural, Science and Technology Cooperation Committee; date and place not given]

[Text] Question: As deputy chairman of the Laos-Vietnam Sociocultural, Science and Technology Cooperation Committee, what is your assessment of the significance of the agreement on the 10th anniversary of its signing?

Answer: I believe strongly that the special solidarity achieved through the friendship and all-round cooperation between Laos and Vietnam is unshakeable. It has continued to be a source of victorious power for the peoples of Laos and Vietnam. As Comrade Secretary General Kaysone Phomvihane, our beloved leader, taught us, "The special [military] solidarity and all-round cooperation of Laos and Vietnam established and promoted by Chairman Ho Chi Minh and our two parties have become a valuable and fine inheritance and a power so great that no enemies can ever dismantle it." This is a principle for the growth of both nations. The increased all-round cooperation between the LPDR and the SRV has fulfilled the strong wishes of our peoples. Its purpose is to promote stability and growth and to defend and construct socialist nations, as well as to take part in the struggle to protect the peace and independence of democratic nations and for the social advancement of the people in Southeast Asia and the world. The signing of the agreement on 18 July 1977 marked a new direction for the friendship between Laos and Vietnam. The all-round cooperation and special solidarity have been increased in the new phase of the revolution. As a member of the Committee for Sociocultural Cooperation of Laos, my view is that implementation of the agreement has helped bring about the socioeconomic growth of Laos.

On the occasion of the celebration of the 10th anniversary of the signing of the agreement between the two countries, in the name of the Committee for Sociocultural Cooperation of Laos it is my wish that the friendship, all-round cooperation and special solidarity between Laos and Vietnam will endure forever.

Question: What have the results of the cooperation between our two nations been during this 10-year period?

Answer: Throughout this 10-year period, cooperation between Laos and Vietnam has continued to expand in depth and economic efficiency to our mutual benefit. There has been successful cooperation in all areas, as follows.

Agriculture--The substance of the plan for the Vientiane Plain has been basically completed. Several irrigation projects in the northern, central and southern provinces have been surveyed and constructed. An experiment was conducted in Vientiane capital on high-yield rice strains. The two countries worked in cooperation to construct many small irrigation projects, etc.

Industry--Industrial production bases have been constructed, consisting of a small agricultural machinery plant, a brick and tile plant, and a clinker factory and coal production plant. Two small hydropower plants have been successfully constructed and many more small hydropower plants are being worked on. Surveys are continuing of (Kali) salt, coal, etc.

Communications, transport and housing construction--Construction and clearing of many new roads has been accomplished--for example, the construction of Route 7 and part of Route 6, and the surveying and clearing of one part of the [vertical road]. The two sides have worked together on constructing Route 8 and Route 9. In water communications they successfully built two 220-seat passenger ships and several transport ships, and surveyed a boat route along the Mekong River. They succeeded in constructing schools, hospitals and many stores throughout the nation.

Cooperation between twin provinces and between work sectors has been expanded satisfactorily. In the selfless spirit of proletarian internationalism, SRV experts have been sent to our country to carry out work in many areas both in the center and in the localities. The Vietnamese side has trained many thousands of cadres for the LPDR, nearly half of whom have returned to work in various sectors effectively.

The all-round cooperation between Laos and Vietnam has been an important and effective factor in defending and constructing socialism in the LPDR. On the occasion of the 10th anniversary of the signing of the friendship agreement between Laos and Vietnam, in the name of the Committee for Sociocultural Cooperation of Laos, I am wholeheartedly grateful to the party, government and people of Vietnam who have assisted the LPDR in the past and present, and [who will continue to do so in the future].

Question: In the current 5-year plan, as well as up to the year 2000, what will the assistance and cooperation be like?

Answer: The party policy, especially that enunciated at the Fourth Party Congress, states clearly that all-round assistance and cooperation with fraternal countries is absolutely essential for the socioeconomic development of our nation, including our special relations and all-round cooperation with Vietnam, which has had a fine heritage and which is becoming more profound in the second phase of the 5-year plan. From now up to the year 2000 the all-round assistance and cooperation between Laos and Vietnam will focus on five

distinct projects: food and food crops; conservation consisting of limiting and then stopping the use of slash-and-burn techniques in the forests; production of items of everyday use; exports, communications, and transport; and educational reform and cadre training. In carrying out these projects, besides being self-sufficient and strengthening ourselves, we must increase the cooperation and assistance with Vietnam, achieving greater efficiency based on the principle of mutual benefit. Also, Laos and Vietnam will work together to find a project that will be helpful and long-lasting for the two nations.

9884/7358

'TALK' ASSAILS PRC WEAPONS SALES TO IRAN, IRAQ

Vientiane PASASON in Lao 4 Jun 87 p 3

[Article: "Behind the PRC, 'Merchant of Death'"]

[Excerpt] It is clear that China has been selling arms to both sides in the Iran-Iraq war through third parties. In addition, China has been cooperating with Israel in improving turret guns.

As the fifth largest arms merchant in the world, in a year China has been able to generate revenues of \$1 billion, with the majority of clients coming from developing countries (LDC). On the morning of 25 May 1987, last month, Beijing demonstrated modern battle aircraft and missiles at the Air Exposition in Paris (France).

Japanese and other military observers around the world cite three urgent reasons that have led Beijing to concentrate all its attention on developing and selling arms.

The first is an economic reason for military development. Beijing wants to increase arms exports to gain foreign exchange to use in exchange for modern military technology in order to develop its military and arm it with modern technology.

The second reason is a political issue. Beijing wants ties with and influence over developing countries through arms sales. For example, it wants to set up terrorist groups with the aim of disturbing peace and stepping up its efforts to control developing countries.

The third reason: Beijing's major, long-term strategic goal is to generate tensions in the world, create military confrontation and also to lead the forces of the United States and the USSR into a confrontation. China hopes that such a confrontation between these powers will be violent, and that ultimately they will be weakened. Then Beijing's golden opportunity will come to take advantage to develop its forces. This will not improve peace in the world.

12597/9190

CSO: 4206/113



## THAIS SEEN AS SECURITY PROBLEM IN VIENTIANE DISTRICT

42060120b Vientiane KONGTHAP PASASON LAO in Lao 21 May 87 p 2

[Article by S. Vongphouthon: "Local Defense Work of the Chanthabouri District Self-Defense Force"]

[Excerpts] Chanthabouri District is in the center of Vientiane capital and is where the offices of many government departments are located. It also contains trade centers such as the morning market, the evening market, state-owned and privately-owned stores, entertainment centers and numerous gathering places. The location of the district is special, and it is important that we defend it carefully with high awareness, because it is located near the Mekong River. In the past as well as at present, CIA henchmen and ultrarightist Thai reactionaries have sent in evildoers to carry out constant spying and incitement. On rainy days, in particular, they take advantage of the weather to come in. Maybe they believe that our defense forces are afraid to get wet or cold, or that they will be discouraged by natural obstacles.

Having become awakened and having absorbed the policy on national defense and security for all the masses set by the party and government, the Chanthabouri District self-defense force has always maintained a high sense of responsibility for their honorable duty. Although they are only paramilitary forces of the people, by their persistence they have confirmed their high sense of responsibility as a driving force for the safety of the people and property in the district. They are not afraid of heavy rain, strong wind, slippery roads, or dark of night. They work shoulder to shoulder, guns at the ready, standing on guard with a high level of consciousness and combat readiness, in accordance with a comprehensive plan for cooperation. In the daytime all of the villagers have the right to self-defense, whatever may occur. Besides the self-defense force, members of the youth union, the Lao women's organization and the mass organization in each unit and ward are all eyes and ears to follow up on evildoers so that they can be reported to the authorities and timely action can be taken. Thus, these can be a timely resolution of harmful incidents.

When asked about their organizing method, a member of the Chanthabouri District Military Command Committee, who is also responsible for the district self-defense force, explained: "In order to have the people

understand the significance of defense work the command committee sent cadres to mobilize, disseminate and instruct in defense techniques, one person for every 10 houses in each village. The district defense committee in each canton provides guidance on how to set up forces, how to maintain and how to carry out inspection, as well as how to plan and divide up the operational areas. All areas work together and report to each other on the situation on a regular basis; a summary report is made to the district military command committee each week and an emergency must be reported immediately.

9884/12851

'TALK' CITES PRK NORMALIZATION, CDGK BANDITRY

42060127d Vientiane PASASON in Lao 4 Jul 87 p 3

["Talk" column by Leutsaisana: "Truth about the Problems Occurring at the Thai-Cambodian Border"]

[Excerpts] Since early June of this year the Thai newspaper MATICHON has confirmed those who have in fact created tension along the Cambodian-Thai border and who have caused the Thai people to suffer. The newspaper said that the murderous Pol Pot clique in hiding on the Thai side have caused tragedies and robberies against the people in the villages of the Thai people and in the Cambodian refugee camp. In particular, on 4 and 7 June the murderous and genocidal Pol Pot clique, after attacking the Thai troops, robbed the Ka-Ounsang camp in Prachinburi Province. They also robbed the transport bus to Ban Plaleng in Toukalin subdistrict in Prachinburi Province and other villages, causing tens of casualties and injuries. The Pol Pot looters have stolen and robbed the Cambodian and Thai people of their property regularly. MATICHON also said that since May the Pol Pot clique has attacked the Thai troops 10 times along the border close to Cambodia, causing so many casualties and injuries that an emergency was declared.

As a result, political observers in many western nations and in Thailand have pointed out that the reason for the rumors falsely accusing Vietnam in the Cambodian-Thai border incidents were all shameless accusations against Vietnam. In fact, those who have created unrest and who have incited against the peace and happiness of the people along the Thai-Cambodian border are the murderous and genocidal Pol Pot clique and those who have supported and used them as puppets are alone the ones who have created unrest and spoiled the atmosphere for solving the problems in this region by peaceful means.

The strength of the PRK has become a true condition for the withdrawal of the Vietnamese Volunteer Force from Cambodia, and the withdrawal will be completed by 1990 if the murderous and genocidal Pol Pot clique is wiped out politically and militarily, and there is no internal interference in the PRK by foreign nations.

Although the imperialists and the international reactionaries and their henchmen are continuing their noisy fabrications along the Thai-Cambodian

border, particularly prior to the UN General Assembly session to purposely and falsely accuse and distort the facts as they have occurred in the PRK, they cannot easily deceive world opinion as they previously did. World opinion clearly understands the truth regarding the so-called "Cambodian issue" as has been clearly shown by the rejection of the Pol Pot clique in the international arena, where worldwide opinion has assailed the crimes of the murderous and genocidal Pol Pot clique and has demanded that an international court be organized to punish them.

9884/9190

## 'TALK' VIEWS SIHANOUK DEPARTURE FROM CGDK

42060125f Vientiane PASASON in Lao 17 Jul 87 p 3

["Talking Together" column by Hatphannong: "Bruises That Become a Cancer"]

[Text] It has been 5 years since the so-called "Coalition Government of Democratic Kampuchea" (CGDK) was formed in Kuala Lumpur at a meeting of groups of Khmer reactionaries, whose hatred of each other has become so great that the wounds in each group leader's heart have become cancerous and increasingly painful. Everyone knows how the bruises occurred. When Sihanouk was in power he hunted down the men of Pol Pot, Ieng Sary and Kieu Samphan. And when Pol Pot seized power in 1975, Sihanouk was confined for 3 years and many of his relatives were killed, except for Son Sann, who was one of the coup members who overthrew Sihanouk. The events of the past make it impossible for any of them to forget their hatred of one another. The establishment of the so-called "Coalition Government of Democratic Kampuchea" is therefore the product of outside pressure on the part of the United States, international reactionaries and their like. The posts inside this ghost government were divided among them like pieces of meat, because the survival of each group depends on the shares received from their bosses. Thus, from the day this body was established, the conflicts among the groups in the trough of the so-called "Coalition Government of Democratic Kampuchea" have not decreased but have grown steadily, as has been clearly shown by past events. The Pol Pot clique, which has the most men, has put pressure on the others in order to seize control of the refugee camps and foreign aid for themselves, and this has led to regular attacks with weapons and killings. Even Sihanouk, the chairman, said that it was impossible to have true democracy in Cambodia while Pol Pot remained. "Pol Pot is no different from Hitler," he said. Sihanouk often threatened to resign from his position as chairman of the "Coalition Government of Democratic Kampuchea," and finally, he had to announce his temporary resignation for 1 year as a protest against Pol Pot's actions. This has resulted in internal conflicts arising from the previous bruises of the groups that had formed the "CGDK," which reached a critical stage and brought great fear to those who were the enemies of the People's Republic of Kampuchea. This is why the current view is that ASEAN must review its policy on the so-called "Cambodian issue," and especially the need to punish or completely wipe out the Pol Pot genocidal criminal and clique, so that they can join the other nations of Indochina in solving the problems in the area as well as the Cambodian issue peacefully, to ease tensions in the area, and to make Southeast Asia an area of peace in which there is good cooperation and relations among neighbors.

'TALK' ASSAILS ASEAN ON CAMBODIA, POL POT

42060127a Vientiane PASASON in Lao 26 Jun 87 pp 3, 4

["Talking Together" column by Leutsaisana: "Hope That Is in the Clouds"]

[Excerpts] The 20th conference of ASEAN foreign ministers was held in Singapore beginning on 15 June 1987. This year the ministers evaluated how much progress had been made and also explained internal and external problems.

In discussing economic issues the ASEAN ministers reviewed trade barriers by the west, where the United States, which used to be an admirer of ASEAN, has now become its enemy. Their new hope to set up a common market, which would include foreign investment in the ASEAN nations, solutions to the trade barriers regarding textiles and agricultural goods, and solutions to the problems of refugees and drugs have become uncertain. It was strange that instead of getting down to serious business on economic problems which are important for the standard of living for the working people in the ASEAN nations, they were more interested in other problems such as continuing their open interference in the internal affairs of the PRK.

The so-called "Cambodian issue" cannot be solved by anyone or by any group simply by sitting down and dreaming about what they want. The problem must be solved within the region and the solution must involve all sides concerned, as was stated by Mr Nguyen Co Thach, Vietnamese foreign minister, in a news conference in Hanoi Capital on 19 June assessing the ASEAN conference. He said the Cambodian issue could be solved if there is respect for all parties concerned. The three Indo-chinese nations have agreed to completely withdraw the Vietnamese volunteer troops from Cambodia by 1990, but the Pol Pot clique must be eliminated and foreign interference in Cambodia must be stopped.

These true events clearly show that those who have used the Pol Pot clique as their puppet in the acts they have played against Vietnam are the Thai ultrarightist reactionaries. This play can no longer deceive anyone, and even though the applause they get for each of their acts has been steadily declining, these skilled actors and their director, the international reactionaries, continue to stubbornly jump on the stage and

perform and applaud themselves, as they are now doing on the stage at the Thai-Cambodian border. Those who have killed people, including Thai people at the border and Cambodian refugees in Prachinburi Province in Thailand are the routed Pol Pot clique (according to the early June issue of the Thai newspaper MATICHON) with the protection and support of the Thai reactionary forces. A few days ago they drew some foreigners into their act by inviting them to visit the incident they had fabricated on the Thai-Cambodian border for the purpose of propagandizing, slandering and accusing Vietnam and the other Indochinese nations.

The longer this comedy drags on the more it will become an obstacle to solving the problem of the region and also to solving the Cambodian problem by peaceful means through meetings and discussions between the Indochinese group and ASEAN. Moreover, this comedy will not only be unable to meet the urgent needs of the nations in this region but will also bring uncertainty to the new hopes of the Thai people and ASEAN.

9884/9190

## 'TALK' COLUMN VIEWS SIHANOUK-POL POT CONFLICT

42060131b Vientiane PASASON in Lao 6 Aug 87 p 3

["Talk" Column by Leut Saisana: "The Hatred Between Sihanouk and Pol Pot Must Be Cleared Up"]

[Text] Pol Pot's story goes like this. After living in France as a student, he joined the underground movement in Phnom Penh to look for ways to topple Sihanouk, who was in power at that time. In 1975, when Pol Pot seized power, Sihanouk was put in a confinement that lasted for 3 years, and many of his relatives were killed by Pol Pot. After Sihanouk had escaped death and fled to Beijing, he realized that Pol Pot had cruelly and savagely killed his compatriots and had carried out the genocide of over 3 million Cambodians. He raised the alarm and called on the world to condemn, drive out and punish the murderous Pol Pot for the crimes he had committed.

These two events in themselves indicate that the two people involved are enemies who cannot stand each other. However, an unexpected event occurred in Kuala Lumpur in 1986, when Sihanouk and Pol Pot were forced to face each other and to set up the so-called "coalition government of Democratic Kampuchea." How it came about is easy to see. It was the outcome of outside pressure from people such as American imperialists, international reactionaries, and their ilk.

When people hate each other, although outwardly they may smile at each other, inside they clench their teeth and they turn their backs on each other. And this is demonstrated by the fact that since the coalition was established, conflicts between the two groups as well as with other groups have been increasing steadily. Sihanouk has not stopped assailing Pol Pot. At one time Pol Pot was said to have resigned from the group of leaders, but he remains a leader as before. Later, Pol Pot was said to have violated human rights in a detention camp and to have killed [Sihanouk's] soldiers. Even worse, recently Sihanouk stated that "it is impossible to have a true democracy in Cambodia. Pol Pot is no different from Hitler...." Sihanouk's revenge against Pol Pot has only taken the form of threats. He threatened to resign and finally did temporarily resign for a year in order to protest Pol Pot's actions. The Pol Pot clique did not want the opposition Sihanouk group to advance, although they said nothing. Pol Pot and his men set themselves up as the main strong group in the government. He has often



used force to attack Sihanouk rather than just uttering protests. Pol Pot himself has described Sihanouk as a person who is out to save his own skin, and he has likened Sihanouk to a puppet on a string.

The truth about this issue, as several Western political observers in various countries have pointed out, is that considering what has actually happened in regard to both Pol Pot and Sihanouk, it will be impossible for the ghost government to survive because their true faces are continuing to be unmasked around the world. Condemnation of the crimes of the Pol Pot clique is steadily increasing. ASEAN itself, which is an instigator in this matter, has announced the withdrawal of its support for Pol Pot, and the U.S. secretary of state stated in Singapore that there should be a guarantee to prevent Pol Pot from returning to power in Cambodia. So while no one knows how the hatred that Pol Pot and Sihanouk have for each other will continue to work against them, it is clear that the ghost government must crumble.

9884/12851

COUNCIL OF MINISTERS' ORDER ON FREE MARKET PUBLISHED

42060131a Vientiane PASASON in Lao 6 Aug 87 pp 1, 3

[Order of the Council of Ministers on direction and techniques for increasing the circulation of goods and currency, issued 23 June 1987 by Kaysone Phomvihan, chairman of the Council of Ministers]

[Text] Since the national economy is basically a small-production economy characterized by self-sufficiency and each person acting on his own behalf, only a few types of goods are produced and the quantities are small. Direct exchange of goods has been carried out throughout, such as in rural and mountainous areas. Restrictions and the application of many administrative measures have limited goods and currency circulation.

In order to assure the strong expansion of goods and currency circulation based on realizing the directives of the fourth party congress plenum aimed at bringing about a shift from a natural economy to a goods production economy, allowing trade to be carried out freely and legally for the purpose of promoting production, and at helping to raise the standard of living of people of ethnic groups so that they will be able to carry out the two strategic duties of national defense and socialist construction, the Council of Ministers has issued the following decision.

A. Basic Provisions

1. We must be determined to use the relationship between goods and currency to the utmost in order to boost production and goods circulation. We must make use of all economic sectors to carry out economic production that will result in a steady increase in the rate of goods production. We must also be determined to make it possible to limit direct exchange of goods and change gradually to a system based on the relationship between goods and currency through trading and marketing.
2. We must increase the rate of circulation of goods and currency and insure a balance between goods and currency.
3. We must change all the main production and business units, such as trade, banking and transport, over to socialist business accountability.

4. We must promote direct contact between production, circulation and markets, cutting down on intermediaries and opening the market wide.

5. We must bring about a complete separation between the two roles, economic administration and business.

B. Techniques for Increasing Goods Circulation and Currency

1. Vientiane capital, each province, and each work sector and base must open up the market to the participation of many economic sectors; they must give careful attention to expanding the cooperative system such as the trade cooperatives in border areas, rural areas and areas that are difficult to reach.

2. All types of bans must be eliminated. Markets must be divided up according to areas. Goods checkpoints along domestic communication routes must be eliminated. Under no circumstances should soldiers, police, or guerrillas be permitted to inspect goods circulation. Provinces, districts and cantons are not permitted to monopolize trade for themselves.

The Ministry of Defense and the Ministry of Interior must order all military units, police and guerrilla units at all levels to stop all forms of goods inspection.

3. All the main production units of the state, collective groups, state-private corporations and the private sector must encourage free and legal trade using such means as two-way contracts and business relationships. The central and provincial trade companies should clearly understand market prices and generally follow the "buy everything and sell everything" policy.

4. In order to eliminate bureaucratic characteristics in serving the means of production (or in material and technical aspects), from now on the means of production must be done via trade.

5. Goods circulation and currency must be transformed step by step.

The sources of retail sales by the state should be increased and the sale should be at the actual market price. All leftover goods in warehouses should be inspected for the purpose of putting them in circulation at prices suitable to the quality for each type of goods, and if necessary, they should be repaired and packaged before distribution.

Service should be increased for people who are good at collecting cash and who are making a good profit.

Extensive distribution of goods needed by the state in large amounts (office supplies and spare parts) should be carried out. In the districts, there must be distribution of high-quality goods, cosmetics and certain imported goods to meet buyers' tastes, mainly for the purpose of securing cash.

The state trade companies must open up the distribution of various types of goods monopolized by the state, including vehicles for production and other goods, to the general public at market prices in order to generate cash only.

Banks must engage in essential business and conduct trade in currency and valuable materials at actual market prices.

A determined effort must be made to resolve the debt problems between offices, organizations and business units, as well as between business units.

### C. Organization and Implementation

1. The ministers of commerce and finance and the State Bank Commission along with the work sectors and localities involved must organize and disseminate this decree from the center down to the districts and throughout the grassroots areas.

2. The ministers of commerce and finance and the State Bank Commission must develop plans to train their own cadres so they will become proficient in business and trading.

3. This decree is effective as of the date of signing, and all orders regarding regulations (including documents observed by local administrative committees) that conflict with this decree are terminated.

Vientiane, 23 June 1987. Kaysone Phomvihan, chairman of the Council of Ministers.

9884/12851

PARTY DAILY URGES FREE TRADE, DEMANDS END TO ROADBLOCKS

42060130c Vientiane PASASON in Lao 7 Aug 87 pp 1, 2

[Editorial: "We Should Carefully Implement the Council of Ministers' Order on Increasing the Circulation of Goods and Currency"]

[Text] Our goal is to shift our nation's economy from a natural economy to a goods production economy, to encourage legal and free trade, to boost production and to raise the people's standard of living so they will be able to carry out the two strategic duties of national defense and socialist construction. The Council of Ministers has agreed on the direction to be taken and has presented a number of ways to increase the goods and currency in circulation.

Basic Principles for Increasing Goods and Currency Circulation

The Council of Ministers order states: "We must use the relationship between goods and currency to the utmost in order to boost production and goods circulation. We must make use of all economic sectors to carry out economic production that will result in a steady increase in the rate of goods production. We must make it possible to limit the direct exchange of goods and change gradually to a system based on the relationship between goods and currency through trading and marketing." We must increase the rate of circulation of goods and currency and insure a balance between goods and currency. We must change the main business and production units, such as trade, banking and transport, over to socialist business accountability, and promote direct contact between production, circulation and markets cutting down on intermediaries and opening the market wide. We must bring about a complete separation between the two roles of economic administration and business.

In order to obtain good results in goods and currency circulation, the Council of Ministers has directed each province, Vientiane capital and the grassroots areas to open up the market to the participation of many economic sectors; they must give careful attention to expanding the cooperative system such as the trade cooperatives in border areas, rural areas and areas that are difficult to reach. The Council of Ministers has also instructed Vientiane capital, the provinces and the grassroots areas to eliminate all types of bans, to divide up the market according to areas,

and to do away with goods checkpoints on domestic communication routes. Under no circumstances should soldiers, police or guerrillas be permitted to inspect goods circulation. Provinces, districts and cantons are not permitted to monopolize trade for themselves. The main production units of the state, collective groups, state-private corporations and the private sector must encourage free and legal trade using such means as two-way contracts and business relationships. They should also have a firm understanding of market prices, follow the "buy everything and sell everything" policy in general, and eliminate bureaucracy in serving the means of production by means of trade. This [bureaucracy] cuts down on goods and currency circulation. We should increase the sources of retail goods for the state, sell at actual market prices, and inspect all leftover goods in warehouses for the purpose of putting them in circulation so the state will be able to get its money back. It is essential to increase the types of services to the people by distributing widely the goods that the state needs. We must sell merchandise that meets buyers' tastes in the various districts. The state trade companies must open up the distribution of various types of goods to the general public at the actual market price. Banks must change over completely to business methods and conduct trade in foreign currency and in valuable materials at actual market prices. We must resolve to clear up debts between offices, organizations and business units, as well as between business units.

The basic principles and techniques adopted by the Council of Ministers to increase goods and currency circulation are in line with the reality of our nation's socioeconomy. Although during the more than 10 years of socialist construction and transformation in our country the national economic base has been revived and the standard of living of people of ethnic groups has improved to a certain extent in both material and other respects, our country's economy basically remains a natural economy in which people act only on their own behalf. The amount of goods is not yet the same in both the plains and mountainous areas, or in both areas with an economy based on goods and areas based on a natural economy. The situation is even worse when there are numerous administrative measures banning goods circulation. As a result, our nation's goods markets are not only badly broken up but in some cases encounter bans in every area, and this has a negative effect on goods production. Therefore, in order to change the natural economic base wherein people act only on their own behalf to production bases that produce socialist goods, it is necessary to increase the circulation of currency and goods and to carry out such circulation freely and legally. In this way trade markets everywhere will use money as a medium and this will encourage the expansion of goods production in our country. All previous orders and regulations that conflict with this order issued by the Council of Ministers are null and void. All localities, organizations and offices must implement this order so as to increase the circulation of goods and currency.

9884/12851

PARTY ORGAN URGES RESPONSE TO NEW POLITICAL, ECONOMIC CIRCUMSTANCES

Vientiane PASASON in Lao 4 Jun 87 p 1

[Article: "New Changes, General Trends in New Era"]

[Text] Our party's Fourth General Party Congress symbolizes a very important beginning in our evolution and a new change in our country that emphasizes new thinking and above all, economic change, economic reform, reorganization, and reform in regard to cadres, leadership plans, and ways of working. The revolution in science and technology, in particular, has made a great impact on the ideas, politics, economics, and culture of each individual, especially in socialist countries where rapid change has occurred due to the growing needs within the society. This is now confronting us with the greatest changes ever encountered.

At the same time, the trend in the world is to negotiate peacefully to solve the various problems. But within that tolerance, there is actually a silent but violent and serious struggle between socialism and capitalism. As our country now has become a member of the socialist group of nations, we are an ally of the socialist countries.

We are currently adopting decisions to make new, real changes, and an exciting and serious movement for change to a new system has developed. As for our socialist allies, in response to the needs of a new era, changes are being made in order to meet the greater needs of their people, who must struggle to confirm their superior characteristics in every area of socialism.

To accomplish this, there must be rapid changes in every area; we cannot stand still on the basis of the same old principles, with backward theories. The present socialist expansion cannot include the old principles; there is a need to continuously draw lessons and reach new conclusions that are reflected in the livelihood of the people.

The change means the end of the old and the birth of the new. What is old, and backward has been exchanged for what is new and more advanced. People are carrying out activities alertly, in an organized manner, and the world is acknowledging the need for change.

What are the needs that call for change? What are the changes? How can the changes be realized? These are the questions that are being asked throughout the world.

## POLITICAL FEATURE SCORES 'OLD WAY OF THINKING'

Vientiane PASASON in Lao 4 Jun 87 p 2

[Article: "What is the Old Way of Thinking?"]

[Text] In accordance with the old way of thinking, problems are considered and analyzed in a way that does not correspond to the actual situation. It is an individualistic system, marked by boasting and looking down on others, assessing situations and making decisions based on one's own opinions, preserving old traditions, and promoting jealousy, exploitation, and pettiness. People who keep to the old way of thinking like to criticize others who are more successful. These people are stiff like statues; they work as they are ordered to, do not take the initiative, are unaware, easygoing and not creative.

In addition, people who adhere to the old way of thinking like to boss others around, are pushy and threatening, and make people afraid of them; they like superficial things, organize within their own circle, and lack quality; they are bureaucratic, leading to slowness and delays in their work; they are not in touch with the masses. They do not like to go to the grassroots areas, but prefer to sit in offices and order the people at lower levels around without knowledge of the real situation.

In terms of education and training, people who maintain the old way of thinking like to use intellectual words, new vocabulary, and strange words without explaining them, so other people cannot understand them. They like to lengthen the curriculum and bore people. They study a lot, but they do not know how to apply their studies. They like to give long speeches in front of the masses, talk very confusingly, and make people sleepy--and sometimes, the people sneak out. They work slowly and unscientifically, against people's will and unnaturally. They emphasize only higher and mid-level education. They do not pay attention to those who really work, and education is organized like an elephant at the high level and an ant at the low level, like a mouse's tail.

In the economic area, those who keep to the old way of thinking are short-tempered. They like large-scale, modern and big activities, but not good-quality work. They are wasteful, do not like to follow economic regulations, and like to ride roughshod over the rules. They do not



believe in private companies and do not sign direct contracts with the people who produce. They like to buy cheap and sell high, and they order merchandise without attention to public demand. They like to sit at their desks and order goods. Sometimes, they buy things that do not sell, so the goods remain in warehouses. They also do not want goods that generate revenue. They do not pay attention to domestic consumer goods production; they prefer to use goods made abroad. After they sell all the goods made abroad, they just sit and catch their stores and do not promote the circulation of goods.

As for taxes, the banks do not like to play a supportive role; they assess taxes that do not promote production. The banks make it difficult to make deposits and withdrawals, and they provide low interest rates so that the people do not want to deposit their money with them.

In terms of international economic relations, those who maintain the old way of thinking like to accept large-scale and modern, but ineffective aid. Consequently, the return on foreign aid has not been very successful; there have been losses in some areas.

Thus, in conclusion, the old way of thinking is a way of considering and assessing problems and making decisions that does not correspond to the real situation. The primary reason such decisionmaking is wrong is that it stems from a private regime that is showy and boastful, is extravagant and ambitious and welcomes compliments. Such persons like to criticize their friends, and they are jealous of, calculate against, and lord it over them. They consider themselves better than others, and like to use what they have learned in school, especially conservative lessons. They do not know what is new in their areas of study of the world, and inside the country, they have become crude and are finding it difficult to change.

12597/9190

CSO: 4206/113

## BOOST IN THAKHET TRADE AFTER ECONOMIC REFORMS NOTED

42060127c Vientiane PASASON in Lao 26 Jun 87 p 2

[Article by Ketmeuang: "Model Trade Co-op in Thakhek District"]

[Text] Thakhek District has shifted production units to business by improving and changing the old administrative economic management mechanism to the new economic management mechanism, and since early 1986 the state trade and collective trade of the people have appeared to expand strongly. There are now 14 state and collective stores including 10 trade co-op units, of which the Na Bo Canton trade co-op is outstanding. This trade co-op was organized on 20 February 1986, and even though it is only a little more than a year old it has a total of 160 members, over 4,300 shares, 874,150 kip of revolving capital, and 5 members on the boards of directors under Comrade Khamphan. Because it has been under the close guidance of the province, the district and the center regarding trade co-op business and along with the capability and creativity of the board of directors and the excellent decision-making by the cadres and workers, this co-op thus is capable of managing and running its own business, where the most important things are to greatly expand business and its own trade network, and to sign bilateral contracts with other companies and co-ops. This co-op has now expanded by three retail stores and another restaurant. What is new that has happened in this co-op is that it has been able to save over 3 million kip and has bought three new automobiles to facilitate business.

The co-op chief Comrade Khamphan said that since the co-op was organized the total rice purchases were 16,677,034 kip, including 930,136 kip for the purchase of forest and ricefield products from the people and 55,425 kip for various production tools. Exports were 10,424,966 kip and primary profits were 1,094,499 kip. After subtracting the funds for business expansion, welfare and remuneration, there still remained a [dividend] of 100 kip per share and [rates for cadres]. This trade co-op has also carried out its obligation to save capital for the government by depositing 1,346,799 kip of its savings in the bank.

Comrade Khamphan added that for the 1987 plan they will add one restaurant, one repair shop, one blacksmith shop, and one garage for repairing cars. The purpose is to raise the standard of living of the members of the co-op.

ARMY PAPER: LACK OF FOOD HINDERS OPERATIONS

42060120a Vientiane KONGTHAP PASASON LAO in Lao 28 May 87 pp 1, 4

[Editorial: "Participating in Food Production With Determination"]

[Excerpts] At the present time food production in our country is expanding slowly; the average rate of only 300 kg of paddy rice per capita, still the lowest rate in the world, is putting a severe limitation on other economic strategies. Therefore, solving the food crop problem has become an urgent matter in the first phase of our country's transition to socialism. The Fourth Party Congress stated that the solution of the food crop problem is one of the five major economic projects for the period up to 1990. It is the responsibility of all work sectors and all levels, including the military and our people.

In the past, our military units used all available local means for food production in order to provide more products for society and to raise the standard of living, along with carrying out their duty to remain combat ready and to carry out their work effectively. In 1986 our army fulfilled its duty to solve problems in food production. It took part in raising the standard of living in the army and partly reduced the expenditures for the higher echelons.

There are still some units, however, that have not yet given attention to food production. Of course, the soldiers in these units still face many problems, and the operations are limited. The fact is that many military units are still capable of food production if they learn how to organize and cooperate. This not only affects them profoundly, but is also considered as part of their training, becoming combat ready and improving their work.

The weather still looks good for this year's production season. This year it rained early and regularly and this will be good for our production. Therefore, in order to solve the present problem of livelihood for our country and to maintain a peacetime standard of living for our soldiers, along with their success in training, their fighting readiness and other work, the military units must exert every effort to take part in food production.

In the future those army units that already have areas under cultivation must continue to devote attention to production and to boost the production capacity. At the same time, it is the duty of each unit to take into consideration the soil conditions and weather in their area in determining the crop varieties and locations suitable for cultivation. In seeking to expand the cultivation areas, we must consider both collective production and distribution as important. Nearly all army units have been able to carry out cultivation and animal husbandry around the kitchen and sleeping quarters for small-scale distribution. Provinces, localities, the armed forces and army divisions must try to set up good production locations in order to boost the economic results, to produce food in order to raise the standard of living for units as well as to establish a secondary source of food for units.

Solution of the food problem is the priority goal of our country at the present time. We must live up to the heritage of our army, which means fighting well and producing well. Military units must promote food production, respond to the need for food for consumption by the people and the army and improve food supplies, and work with the people throughout the nation to implement the food project set by the Fourth Party Congress.

9884/12851

EDITORIAL: DROUGHT WORST IN NORTH, STARCHY CROPS NEEDED

42060130a Vientiane PASASON in Lao 11 Aug 87 p 1

[Editorial: "Looking for Ways To Solve the Drought Problem in This Production Season"]

[Text] Since June the weather in our country has been abnormal. Sometimes there have been long periods of heat and humidity, and sometimes there has been pouring rain for several days. This has not been good for this year's wet rice production season, and in one way or another this will affect our people's standard of living.

In general, a natural disaster is now threatening the people's rice farming: drought has damaged 60-70 percent of the hill farm area. The difficulties encountered in rice farming in the area from Bolikhamsai Province up to the northern region of our country have been greater than anywhere else. At times the soil has been baked by strong sun, causing the young rice plants to die. At times there have been violent downpours as if from a tap flooding the area, causing many rice plants to die.

In facing the natural dangers such as drought and flooding that are threatening production and the lives of our people, we all need to become a conscious driving force working to combat the harmful effects caused by the drought to prevent possible starvation. One way to solve this urgent food supply problem for both the immediate future and the long term is to mobilize to carry out extensive growing of starchy crops. The reason this is necessary is because this year's rice plants have been heavily damaged by natural disaster. It is too late to replant rice and achieve satisfactory results. We should check the hill farm areas and hasten to plant starchy crops as replacements wherever the rice plants will not grow. Wherever we can engage in planting replacement crops, we should move quickly to replot the ground and raise starchy crops where this is suitable so that we will have a supply of starchy crops when our regular food supply is insufficient.

The policy of the party committee is to look for every possible way to deal with the natural disaster that has struck this year's wet rice production season. Administrative committees at each level must urgently carry out the comprehensive plan to put every effort into the campaign to combat drought and prevent starvation and to ensure a good standard of living for the people of ethnic groups both during and after the production season.

9884/12851

EDITORIAL COMMENTS ON IMPACT OF PROTRACTED DROUGHT

42060130b Vientiane PASASON in Lao 12 Aug 87 p 1

[Editorial: "We Must Solve All Problems To Become a Driving Force for Wet Rice Production"]

[Excerpts] This year's wet rice growing season has not been a good one because of the unusual weather, with a lot of rain at the beginning and then a long drought. This has had a damaging effect on our production, which mostly still relies on nature. When the weather is unusual like this, in the middle or at the end of the season we often have a lot of rain and insects may be widespread. We should be aware of this problem and take measures to prevent it. We should be even more determined to become a driving force in order to solve this problem and to carry out this year's wet rice growing successfully.

The weather during this year's wet rice growing season has caused problems for us. At present drought persists in many areas and localities, causing a slowdown in the transplanting of young rice plants. In Vientiane capital, transplanting has been carried out in only two-thirds of the area. In some places where the transplanting was accomplished, later on there was a lack of water and this caused some damage to the plants, etc.

From our past years of experience, if the rains are heavy early in the season and are followed by a long drought, at the end or near the end of the season there are often heavy rains, and insects that destroy rice and other plants may be widespread. While this is only a prediction, we should not take this problem lightly. The best thing to do is to quickly search for ways to solve any problems that might occur. As the proverb says, prevention is easier than the cure. This is correct, because if natural disasters or other problems are not prevented, we are forced into a defensive position. Then, we are anxious, our efficiency is low, and we waste materials and labor.

9884/12851

## CHAMPASSAK-NGHIA BINH COOPERATION, TWIN STATUS EXAMINED

42060126a Vientiane PASASON in Lao 13 Jul 87 p 3

[Article by Leut Saisana: "Champassak and Nghia Binh Advance Together"]

[Excerpts] The agreement on peace and all-round cooperation signed in 1983 by the three nations, Laos, Vietnam and Cambodia, as well as that between Laos and Vietnam regarding central and provincial-level exchange and cooperation, has been expanded in many ways, such as the signing of agreements on twin relationships between provinces, districts, and production units at various levels. As a result, Champassak and Nghia Binh have become twin provinces. These provinces have different economic strengths: Champassak is strong in terms of agriculture, whereas Nghia Binh is strong in marine products, which facilitates exchanges between them. In implementation of an agreement signed in 1983-84, Nghia Binh Province has assisted Champassak in material-technical base construction, in reviving the economic base, in improving education and culture, in surveying and designing irrigation, and in soil analysis. The province provided 20 tons of a good strain of rice, and because of good cultivation techniques the new strain of rice yielded an unprecedented 2.6 tons per hectare in 1984.

In addition, Nghia Binh provided assistance in constructing a veterinary station and water pumping machinery, providing pesticide, and in surveying the area for growing sugar cane, which has now been completed. Nghia Binh also successfully installed a small machine for producing sugar and a brick and tile plant with a capacity of 2 million pieces a year. It successfully helped in repairing Champassak Province's radio broadcasting station and in constructing a pharmaceutical plant. There has been cooperation in technical and science cadre training. Last year, hundreds of cadres from Champassak were given short-term training and agricultural cadres were given long-term study. In 1984 the exchange of goods between these two provinces was valued at 50 million kip, and goods was exchanged at the local level. Champassak sold coffee, soybeans, peanuts, mung beans and lumber, and purchased cement, sugar, water and household items at prices agreed upon by both sides.

Each year the export-import companies and industrial product distribution companies review the results of their work in the exchange of goods, clear up any pending issues, and set the direction to continue their cooperation based on an agreement signed in 1977.

Although the amount of goods exchanged is not large and the quality is not yet high, the goods have helped to raise the standard of living of the people in these provinces and gradually the exchange of goods has been promoted.

9884/12851



## BRIEFS

SEKONG ROAD CONSTRUCTION--The cadres and workers throughout Sekong Province have helped to bring many successes to Sekong and have gradually transformed it. By assigning priority to such tasks as road and bridge work the province is now able partially to solve communications and transport problems, according to Comrade Onkeo Soukkaseum, chief of the communications and transport section in Sekong Province. He pointed out that emphasis has been placed on the importance of bridge and road work in 1987. In the first 6 months, Route 16 was successfully cleared for 18 km, from Pheuymai to Tha Teng, including five culverts and three bridges. For the second half of the year, engineers and workers will concentrate on efforts to add another 20 km on this road, including 10 culverts and 5 bridges. The Phiamai-Tha Teng road is expected to be basically completed by the end of 1987. In addition, communications and transport routes extending from one district to another are in hard-to-reach areas have been achieved thanks to the ability of the cadres and people to repair and clear roads, roadsides, etc. Last year the youth and people in (Duc Trong) District cleared both sides of a road for 50 km and successfully surveyed a road for 130 km out from the Provincial Administration Office to (Duc Trong) District. We can conclude that the communications route in Sekong Province has now gone gradually from being difficult and confusing to convenient, as noted by Comrade Onkeo Soukkaseum. He indicated that previously travel from Ban Phon to the Provincial Administration Office involved an overnight stop because the buses got stuck in the river, but now the travel is much more convenient. [Excerpts] [42060129a Vientiane PASASON in Lao 8 Jul 87 p 2] 9884/7358

KHAMMOUAN BANK DEPOSITS--In the past 5 months the savings deposited in Khammouan Province by cadres, combatants and people of ethnic groups throughout the province amounted to more than 4 million kip, including more than 2 million kip in the municipality alone. [Excerpt] [42060129c Vientiane PASASON in Lao 6 Jul 87 p 1] 9884/7358

COOPERATION WITH PRK PROVINCE--At the end of June, representatives of the Cambodian Revolutionary Youth Union in Stung Treng Province in the PRK, led by Comrade (Nin Liko), secretary of the provincial youth union executive committee, arrived for a friendly visit in Champassak Province at the invitation of the LPR Youth Union in Champassak Province. During the visit, representatives of the Champassak Provincial Youth Union of Laos and the Stung

Treng Provincial Youth Union of the PRK held discussions and exchanged ideas on increasing cooperation between the twin provinces in the area of youth union work. Each side also described experience in training youth in order to strengthen the youth union work in each country so it will make steady progress in the future. [Text] [42060129d Vientiane PASASON in Lao 6 Jul 87 p 1] 9884/7358

DROUGHT PROBLEMS--The planting of wet rice seeds in localities around the nation has been basically completed, and in some areas transplanting has begun. However, it is unfortunate that the rains in the early season this year were not as good as needed for production, resulting in drought in many areas, with the seeds dying because of the heat. In some places the young plants grew too big because they could not be transplanted to rice-fields with no water. It is necessary to resow the rice seeds in many places, but as the drought continues, it is uncertain how well the resown plants will do. The cultivation department has suggested several solutions for this problem, and these should be strictly followed in order to ensure the expected outcome. Agricultural sections at all levels and all sections of mass organizations must diligently increase their guidance in production, actively providing guidance down to the grassroots level in order to carry out production in time with the season, to prepare to combat the drought that may continue, and to be ever ready for floods that may occur at the end of the season. [Excerpts] [42060125a Vientiane PASASON in Lao 15 Jul 87 pp 1, 4] 9884/7358

LUANG PRABANG BANK DEPOSITS--Bank deposits by cadres, combatants and people of ethnic groups in Luang Prabang Province are now being carried out actively and extensively. In the first 5 months of 1987, the total savings deposited in the provincial branch of the state bank came to more than 4,451,000 kip, an increase of 46.37 percent over the amount for the same period last year. This is because of the bank's careful propaganda and mobilization. It trained agents for savings deposits throughout the province. This result has also come about because of the awakening of the masses to volunteer to take part in developing and strengthening their own localities in every way, and also to increase the income for their own families. [Text] [42060125e Vientiane PASASON in Lao 17 Jul 87 p 1] 9884/7358

SARAVANE ROAD CONSTRUCTION--Repairs have now been completed for 48 km of Route 13B from Saravane to Samiagna by the Saravane Provincial Road Construction Company and by the people in the area. The road surface was widened to 8 meters and was raised an additional 30 cm. The repairs were aimed at making communications and transport work a spearhead for boosting socio-economic expansion, and especially to implement the socio-economic development plan from now to the year 2000 as stated in the Fourth Party Congress. [Text] [42060127b Vientiane PASASON in Lao 26 Jun 87 p 1] 9884/9190

## ILLEGAL IMMIGRANTS SPREADING CHRISTIANITY

Penang THE STAR in English 9 Aug 87 p 1

[Article by K. Parkaran]

[Text]

**TAIPING, Sat. — Umno Youth urged the Government today to deport all illegal immigrants, claiming that many of them were spreading Christianity among Muslims and trying to undermine the Malay political leadership.**

The movement's acting president, Datuk Seri Najib Tun Razak, described as the "biggest threat facing Muslims in Malaysia today" those illegal immigrants who preached Christianity "in a subtle and quiet manner."

He said Umno Youth was aware of the activities of these people. "We believe that many illegal immigrants are involved in this activity."

"The relevant authorities should take stringent steps to deport all illegal immigrants before this becomes a serious problem," he said when opening a work camp organised by the State Umno Youth in Kampung Matang Gelugor, about 12km from here.

Datuk Seri Najib, who is also Youth and Sports Minister, said that such activities were aimed at weakening the Malay leadership with the objective of grabbing political power.

"It is obvious that these 'attacks' are to bring about the downfall of the Malay Government," he said, adding that the future of Muslims in one particular State was already "uncertain."

Datuk Seri Najib said that while recent reports of Muslims renouncing their faith to become Christians might be small in number, Umno Youth believed that there were many more such cases

which had not been reported.

"If this is not checked, the Malays will ultimately lose their political power," he warned.

He said that Umno Youth's work camps were timely as they were aimed at instilling in youths awareness of their responsibilities towards the individual, family, society and the nation.

"Most importantly, they must enrich themselves with religious knowledge so as to form a strong wall to ward off the attacks the Malays and Islam are facing today from so many sectors," Datuk Seri Najib said.

He also urged the Malays to regard the battle to overcome poverty as a "holy war."

"The lack of spiritual and academic knowledge, morals and other good qualities should be considered as poverty apart from the lack of money."

He said that a sound knowledge in Islam was the only way to strengthen the resolve of youths to face a multitude of challenges in the future.

Later, Datuk Seri Najib told reporters that Umno Youth was happy with the MCA's positive response towards its proposal for a national economic recovery plan.

"We are glad that they want to participate in working out the plan. This is designed to solve the problems facing the nation."

"This is not a sectarian problem so we welcome support from any group," he added.

/13046

CSO: 4200/860

## EDUCATION MINISTER: MORAL VALUES, ROLE OF ISLAM NEEDED

Penang THE STAR in English 9 Aug 87 p 2

[Text]

KUALA LUMPUR, Sat. — Education Minister Anwar Ibrahim said he will "keep an open mind" to any discussions on Chinese or Tamil education.

"I do not understand why those who feel strongly about Chinese and Tamil education oppose the extensive use of Bahasa Malaysia."

"I will listen to them with an open mind and hope they will listen to me when I explain the education policy," he told reporters here after presenting certificates to graduating teachers of the Maktab Perguruan Islam here today.

Encik Anwar said he would also explain to them the need to inject moral values in teachers and students and the role of Islam in the matter.

The Minister said representatives of various Chinese schools' associations will meet him on Monday to give their views on Chinese education.

"They will give me their views and I will explain to them why the country's education policy is important."

"The policy is for the good of every citizen but there are quarters who do

not understand how it figures in national integration and development."

Encik Anwar added: "Chinese and Tamil educators seem to understand what they are championing for."

"But I find it strange that they do not understand why we are championing the cause of Bahasa Malaysia in the education system."

He said the matter is of great concern to the Government but he would listen "with an open mind" to any discussions with the other parties to resolve the issue.

Earlier, Encik Anwar told the graduates that has directed all heads of schools to watch out for people who were trying to convert Muslim students.

He said he has received complaints that Christian missionaries had gone to certain schools to distribute pamphlets on the religion.

"We will not tolerate any party that contravenes the Constitution, particularly with regard to the propagation of other religions to Muslims," Encik Anwar said.

The Minister said there seemed to be an imbalance

in the intellectual and spiritual development of teachers and students. And this probably reflected a shortcoming in the education system.

If such defects are allowed to continue, problems like malpractices, which already occurred among the country's financial institutions, would prevail, he said.

Encik Anwar said he was also not happy that many teachers chose to teach in their respective dialects rather than in proper Bahasa Malaysia.

"This should not be so. The students should be thought in the proper language and made to understand the difference between a dialect and the medium of instruction."

"We want our students to excel in Bahasa Malaysia and any language they choose to learn. If they want to speak English, it should be good English. If it is Arabic it should be good Arabic."

Encik Anwar said the failure of students to master Bahasa Malaysia or other languages at school would reflect the indifferent attitude of the teachers.

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CSO: 4200/860

## TRADE UNION RIVALRY MAY CAUSE INDUSTRIAL UNREST

Kuala Lumpur BUSINESS TIMES in English 8 Aug 87 p 2

[Article by Ahirudin Attan]

[Text]

MALAYSIA will be plagued by prolonged industrial unrest if national and in-house trade unions are thrown into open rivalry, a union leader warned yesterday.

Mr K. Sanmugam, general secretary of the National Union of Banking Employees (Nube), said national and in-house unions will make use of all the tricks known to trade unionism to avoid losing members.

"And the best way to make members happy is to make sure every grievance they bring up is settled amicably, by hook or by crook, and without much regard to industrial harmony.

"When two unions in one organisation have to sabotage each other to fight for members' rights, nothing could go right. Each would want to prove they are the real champions of the workers' cause and as such, would go out and demonstrate that they dare risk their necks to do just that," he told reporters in Kuala Lumpur.

In view of this, there will be bitter confrontation and more industrial disputes, he added.

Mr Sanmugam was commenting on a Labour Ministry's proposal to amend the Trade Union Act 1959 on the formation of the in-house unions. The proposal was approved by the Cabinet last month and is expected to be tabled for debate at the next Parliamentary session.

Labour Minister Datuk Lee Kim Sai had said the proposed amendment was made to ensure the status of the in-house

unions will not be challenged in court by the national unions.

Nube views it as a threat to the survival of national unions. "In the long run, the national unions can never win. But we'll make sure that as long as members still have faith in us, we will do anything to justify that faith," Mr Sanmugam said.

This will include doing away with its current policies and principles to meet the challenge of in-house unions. He added that the change would see national unions going back to traditional ways in which confrontation was preferred to consultation.

Mr Sanmugam said he expects the same to happen to national unions in other sectors.

"There would be no margin for either union to commit an error. If a national union agrees with a point which the employer makes, the in-house union will be telling members that the national union has been bought over.

"There will be suspicion and distrust. We cannot see how productivity and industry will not suffer because of these," he said.

Mr Sanmugam call on the Labour Minister to review the proposal and study again the consequences the amendment would have on the economy. He said Nube officials will seek a meeting with Datuk Lee to present its views soon.

Nube will also be sending notes of caution to the various banks and finance companies to inform them of the serious

implications the amendment would have on them and the industry.

The union's executive council, which met nearly four hours on Thursday to discuss the issue, also agreed to stage nationwide rallies and, in a show of solidarity, direct members to wear black arm bands during working hours.

Nube has also called on national unions, the Congress of Unions of Employees in the Public and Civil Services (Cuepacs) and the Malaysian Trades Union Congress (MTUC) to join forces and adopt a common campaign against the proposal.

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CSO: 4200/859

## MALAYSIAN SHIPYARD AND ENGINEERING TO UPGRADE OFFSHORE FACILITIES

Kuala Lumpur BUSINESS TIMES in English 8 Aug 87 p 16

[Text]

**MALAYSIAN** Shipyard and Engineering (MSE) will invest \$16 million to upgrade its facilities this year as part of its long-term involvement in the offshore fabrication business, said president and chief executive Encik Mohamed Taib Ibrahim in Kuala Lumpur yesterday.

Of this, \$5 million had already been spent, he said at the signing of two major contracts worth \$93 million between Esso Production Malaysia Inc (EPMI), a contractor to Petronas, and MSE for the fabrication of eight facility modules to be installed on the Seligi platforms off Terengganu to accommodate oil production and gas compression.

Encik Mohamed Taib signed on behalf of MSE while EPMI was represented by managing director Karl Swenson. The Minister of Public Enterprises, Datuk Napsiah Omar, witnessed the signing.

Encik Mohamed said the facilities include the installation of a new autoblasting and painting shop, the construction of concrete beam skidding and loadout facilities, and the strengthening of dock heads for heavier structures load out.

Other facilities include the purchase of four more second-hand 150-200 tonne crawler cranes and three mobile tower cranes, the construction of new pipe spool fabrication shops, upgrading pressure vessel fabrication facilities.

Others include expanding engineering and design/drawing offices for heavier work load envisaged over the next few years and developing additional yard areas for blasting and painting, and prefabrication work.

"At present, we have reclaimed and filled another 30 acres of our land for further offshore and onshore construction work."

"At the same time, our existing facilities and skilled manpower in the shipbuilding and shiprepairing division are also being made available for the offshore fabrication business," he added.

Encik Mohamed said this is partly because there is a deliberate move to fully integrate its resources to cater for a wide range of business needs.

He said that this year, MSE will be absorbing up to 50 engineering graduates for on-the-job training and with the execution of Seligi project, it hopes to gain relevant work experience and exposure to the engineering profession.

He added that depending on their performance and the availability of vacancies, some of these graduates would be offered jobs in MSE.

Last year, MSE employed all the 26 graduates who had undergone six months of training.

EPMI's Mr Swenson said the Seligi Field development will eventually cost EPMI approximately \$1.9 billion upon completion sometime in the 1990s.

The contracts awarded to MSE have a total value of about \$94 million and are two of seven contracts for the first phase of the Seligi Development Programme.

The initial Seligi platforms will be installed offshore Terengganu during the second half year of 1988.

Commending MSE for securing the contract from EPMI, Datuk Napsiah said from the socio-economic standpoint, MSE had provided spin-off benefits for supporting industries and employment.

She added that with the integrated capability and well-established engineering infrastructure, MSE would be able to play an active role in and contribute significantly towards the achievement of the Industrial Master Plan.

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CSO: 4200/859



## BODY TO OVERSEE RECOVERY PLAN URGED

Kuala Lumpur BUSINESS TIMES in English 8 Aug 87 p 16

[Article by Joe Chan]

[Text]

THE MCA Youth has urged the Government to set up a Barisan Nasional Youth body to enforce and coordinate the Umno Youth National Recovery Plan (NRP).

However, it should comprise representatives from all Barisan Nasional component parties to ensure that the plan is implemented fairly, MCA Youth leader Datuk Yap Pian Hon said.

Speaking to reporters after its central committee meeting yesterday, Datuk Yap said MCA Youth will fully support any plan that can speed up the economic recovery of the country, particularly in the present recessionary period.

An MCA Youth special committee set up to study the NRP has submitted its report. It will be discussed at the Barisan Nasional Youth Supreme Council meeting on August 10.

Umno Youth had proposed on July 19 a five-point strategy to speed up national recovery over the next three years, which could serve as an interim measure until the adoption of a new economic policy after 1990.

Datuk Yap also stressed the importance of close cooperation within the Barisan Nasional Youth movement in striving for national unity and understanding.

As such, MCA Youth will closely cooperate with its colleagues in other Barisan Nasional component parties towards this aim, he added.

"Any problem that arises should be solved through joint discussions in the true Barisan Nasional spirit in order to find a rational solution for the stability of the country," said Datuk Yap.

He added that MCA Youth has also set up a body to study and ensure that all of Barisan Nasional's manifestos are implemented as planned, he said.

Datuk Yap said MCA Youth will continue to play an important role as a pressure group, while working to manage and solve problems in a systematic and united manner.

Meanwhile, the party will continue to encourage more participation from the Chinese community's youth associations in nation building, he said.

"In this context, MCA Youth will take the initiative to bridge the relationship between these associations and MCA Youth towards nation building," he added.

Datuk Yap also spoke out against the banning of Chinese characters from signboards at a seafood festival in Johore, pointing out that such actions "are extreme".

Datuk Yap said the act, which is unconstitutional, is "serious in terms of national disunity and a disgrace on the Chinese community in Malaysia".

Earlier, at its first Central Committee meeting since July, MCA Youth announced

the election of five central committee members.

They are Dr Lok Hock Hun, deputy MCA Youth leader Penang; Mr Koh Kim Chew, deputy MCA Youth leader Kedah; Mr Hon Choon Kim, Negri Sembilan state exco member; Mr Yap Ching Leong, Malaysian Hokkien Association youth head; and Mr Ong Tee Keat, political secretary to the Labour Minister.

MCA Youth also announced the heads of 16 bureaux yesterday.

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CSO: 4200/859

## HELICOPTERS FOR NAVY'S AIR WING

Penang THE STAR in English 9 Aug 87 p 3

[Text]

JOHORE BARU, Sat. — The Government has bought an Indonesian-made helicopter, *Superpuma*, for \$27 million and will be signing a contract with a British firm for six more helicopters.

Deputy Defence Minister Datuk Abang Abu Bakar Mustapha said today the agreement for the purchase of Indonesian helicopter was signed recently by the Treasury and the Indonesian Ambassador.

He said the \$27 million included the training of pilots and mechanics.

The helicopter would be delivered later this year, he told reporters after closing a course for the Armed Forces Religious Corp (Kagat) at Pulada.

A Defence Ministry official said the contract with the British firm of Westland was for six reconditioned *Wasp* helicopters.

The helicopters would be for the navy's air wing, to be based in Lumut.

Datuk Abang Abu Bakar also said that the first locally built \$50-million patrol vessel, *K.D. Marikh*, which was fitted with a "not up to the mark" weapons system, was now fully operational.

The Treasury, the Public Enterprises Ministry, and Mindef were, however, still negotiating on who should pay the \$7 million bill for alterations to the weapons system, he said.

The weapons system was bought from Bofors of Sweden.

Malaysia Shipyard and Engineering Sdn Bhd, which built *K.D. Marikh*, was asked to rectify the faults although Deputy Public Enterprises Minister Haji Daud Haji Taha had said that the faults were not caused by the shipyard.

Acting Army Chief Lt-Jen Datuk Yaacob Mohamed Zain, who was also present, told reporters that the army would train 200 cadets a year from now until the year 2000.

He said they included regular cadets and short-service commission officers as well as those who were on army scholarships for special overseas education.

For the rank and file officers, the army would train 4,000 of them yearly to meet shortages, he said.

"This will ensure a sufficient number (of officers and men) by year 2000," he said.

Datuk Yaacob said the intake of cadets had been reduced slightly after the army reviewed the *Plan Perkembangan Istimewa* (Prestar), which was launched in the late 70s.

Datuk Abang Abu Bakar also said that Kagat was for Muslim soldiers who made up 85 per cent of the armed forces.

However, he said, there were committees that drew up activities for army personnel of other religions.

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CSO: 4200/862

NPA NORTHERN LUZON COMMAND THREATENS TO TARGET U.S. 'ADVISERS'

Manila THE MANILA TIMES in English 20 Jul 87 pp 1, 2

[Article by Marvyn Benaning: "'CIA Agents Next Sparrow Targets'"]

[Text]

THE New People's Army threatened yesterday to let loose its dreaded Sparrow Units on American military advisers and Central Intelligence Agency operatives assisting the government in its counter-insurgency campaign in Cagayan and Isabela.

The military arm of the Communist Party of the Philippines vowed to liquidate these foreign meddlers who, they fear, will eventually be directing the entire anti-rebel campaign.

The NPA warning was aired by Manolo "Luna" Evangelista, spokesman for the regional operational command in Northern Luzon.

The NPA spokesman said Sparrow Units, the rebel liquidation squads, will be sent on a search-and-kill missions after the American military advisers and CIA agents should they continue to be involved in the purely domestic military affair.

Evangelista said the NPA suspicion on the direct involvement of Americans in the counter-insurgency drive in the Cordilleras and Northern Luzon was confirmed following the arrest of nine American servicemen in Kalinga-Apayao by a rebel group led by Ka Yokan, a Tinguian cadre.

The servicemen told their NPA captors that they were on a mission to recover the remains of a US plane shot down by Japanese gunners during the last war.

After several days of interrogation, the American group, made up of men from the US Air Force and Navy, was released by the NPA.

Evangelista claimed that direct US involvement in military operations had been established following sightings of American military men participating in operations in Macalino, Pamplona, Cagayan.

In two other instances, he claimed that the servicemen instructed AFP men on what to do in their protracted war against the NPA in Capellan, Ilagan, Isabela and in Plat, Cagayan, a town leading to the Cordillera.

The NPA spokesman also said American F-16 bombers flew missions during combat operations in Marag Paco Zinundungan and Allig Valleys in Kalinga-Apayao earlier this year, destroying more than P2 million worth of property. Also destroyed were 250 hectares of land planted to food crops. More than 30 houses, all of them owned by civilians were likewise destroyed in the same combat operation.

/13046

CSO: 5600/4324

COLUMNIST NOTES PRK BORDER LOSSES, URGES FASTER ACTION

42070239b Bangkok LAK THAI in Thai 28 May 87 p 12

[Excerpt] Right now there is a scandal about the number of Thai soldiers dying. People are criticizing the Thai soldiers for not being good soldiers, for neither being able nor wanting to fight the Vietnamese. Why was almost a company of Thai soldiers surrounded and gunned down by Vietnamese fire, according to plan, like tigers lured into a cave? It is said that the rangers were so heavily bombarded that they could not stick their heads up for 17 hours, and they starved and drank their own urine. Whether this is the truth or not, I do not know, because I only heard it from military circles; I did not see it with my own eyes, and I do not have any way to verify it.

What puzzles me is why the army has allowed Vietnamese soldiers to enter to occupy Chong Bok as a stronghold, intruding as far as 5 km deep into Thai territory, and remaining at least 1-2 km inside for more than 2 years. Why has the army allowed Vietnamese soldiers to come in and remain in Thai territory for almost 2 years? Why didn't the army chase them out earlier?

What has the high-level military command overlooked in their policy on border invasion and defense?

The result of such neglect has allowed Vietnamese troops to build up their forces, positions and defense lines on top of mountains in Thai territory that they invaded almost 2 years ago. This neglect has allowed Vietnamese soldiers to become very familiar with the geography of the region.

When we counterattack and retake our territory, we are at a disadvantage because the enemy position is very strong as a result of his force buildup over 2 years. Our soldiers must sacrifice their lives when they attack, and they are at a disadvantage because the enemy is at a higher altitude. When our troops attack and get near, the Vietnamese soldiers retreat and let our troops seize their position. The Vietnamese soldiers continue bombarding them with artillery and guns and hitting their targets because of their tactics and their knowledge of the targets; they know every hole because they have been there for 2 years. Consequently, this is a very important matter. I am not complaining about other things; I am only puzzled about one thing: why have we let it go on for 2 years?

If we had not let it go on so long, we would not have lost as much as the news reports say we have.

But I agree fully with the strategy for Chong Bok and with the army retaking our territory. Even though we have incurred losses, we must retake our land. Big Chiew's strategy is absolutely right this time.

Yes, indeed. No one can come and take even an inch of Thai territory; we will not let them. Whoever is right or wrong, we do not attack each other.

12597/7358

WRITER VIEWS WAR WEARINESS, SMUGGLING ON PRK BORDER

42070239a Bangkok THAI RAT in Thai 6 Jun 87 p 5

[Article: "Thai Livelihood Along Border; Goddess of Death Says Hello Every Minute"]

[Excerpts] Vietnam's war of occupation of Cambodia has lasted almost 9 years. The defense of the entire 250-km-long Thai-Cambodian border in the Chanthaburi and Trat area is under the responsibility of Navy command units. We hear Vietnamese artillery shooting aimed at wiping out the Khmer tripartite coalition almost every day. Artillery is fired from Cambodia's Phairinh Province and Yo Island. The Navy has delegated to the Trat patrol unit the responsibility for defense against intrusions on Thailand's sovereignty by any foreign troops. This border patrol unit is responsible to patrol and seek intelligence about enemy movements; defend, block, halt, and push out any intrusions; and prevent all illegal activities in this area, such as felling timber, destroying the forest, illicit mining and unlicensed arms sales along the border.

The smuggling of strategic goods, particularly in Klong Yai in Trat Province where goods are smuggled by sea from Klong Yai to Ko Kong in Cambodia, is undermining national security along the border. Rice, sugar, and clothing are shipped there, and fish and shrimp are bought on the way back; aliens are sometimes smuggled into the country.

These illegal aliens come in to spy and conduct antigovernment activities. Previously, influential people from Klong Yai used fishing boats to smuggle in goods. After the authorities became more strict about trade along the border, many boats and goods were seized and speculators lost a lot of money.

Speculators then began to employ ant armies to haul goods, using small, "flat stomach" boats with small motors aft to haul small loads of goods. They carry out more trips and are efficient; when they are arrested, they do not lose as much.

But what is destroying Thai morale along the border is the intrusion on our national sovereignty resulting from the fighting between the two sides in Cambodia. Many artillery shells fall in Thailand. During October 1986-May 1987, 137 artillery shells were lobbed into Thailand with a total 2,233 shells.



The areas most affected are the villages of Samsatri, Pak Kat, and Klong Yai in the Pong Nam Ron District, Chanthaburi Province.

It has been almost 2 years since 157 Thai families, comprising some 800 persons, in this area had to flee the shells falling in these villages. They had to take refuge in camps in Nong Bon Village, Pong Nam Ron District, 5 km deep in Thai territory away from their villages. The camps consist of bamboo huts with straw roofs and bunkers under the huts that the border patrol police of Trat Province have built for them.

Some people return to their native village when they think that the situation has cleared up, but they cannot stay there long because of the artillery shells falling in the villages. These people have sad faces, with eyes filled with despair and fear, and they greet each other with dry smiles. School-age children are not likely to go to school; when shells drop near the school, they are continually running, eyes wide, to the trenches. These people are waiting in hopes that when the war ends they can return to their homeland. What does the future hold for them?

Right now they live on dry food donated as aid. They work on farms for their daily survival until they can return home again.

12597/7358

THAI CHEATING REPORTED ON FISHERY DEALS WITH SRV, PRK

42070239d Bangkok SIAM RAT in Thai 4 Jun 87 p 7

[Article: "Catching Fish in Vietnam"]

[Text] I used to hear old people say that sardines are born to be food for Thais; more particularly, that they spawn in the South China Sea, swim into the Gulf of Thailand and grow there, and become just the right size for Thais to catch and eat. The Chinese, Vietnamese and Khmers do not have the opportunity to eat them as we do.

We will be eating more sardines from now on, because 2 days ago, his excellency the Vietnamese ambassador to Thailand met with Gen Harn Linanond, minister of agriculture and cooperatives, to convince Thailand to invest with the Vietnamese in catching fish in Vietnamese waters.

These proposals sound like something new on the surface, but in reality, Thai fishermen have been catching fish in Vietnamese waters and paying fees. Lately, however, they have not been paying fishing permit fees, so there have been some disagreements.

The Thai fishing boats that go all over the Gulf of Thailand have very modern equipment and the boats are very efficient. Their fishing equipment includes sonar devices to search for schools of fish in deep waters and radar to catch them near the surface.

With their equipment and efficiency, radar-equipped Thai boats are so fast that Vietnamese and Khmer shore patrol boats cannot be compared with them nor come near them.

Furthermore, the Thai boats are armed. When the owners of the territorial waters come near they may be bombed, and many boats have already been sunk. Sometimes, entire crews are killed in encounters with M-16's.

Therefore, Vietnamese and Khmer boat owners are very angry and want to take revenge on the Thai boats. They are looking for ways to overcome them by decisive and violent means. Sometimes, they sink Thai boats by shooting at them, and they capture the crew members and imprison them. Sometimes, so as not to lose their boats, they hug the shores of islands, and they take the

arms and boats belonging to Thai fishermen to use for fishing themselves in order to make a profit.

Recently, there have been frequent fighting and confrontations between Thai fishing boats and local authorities, such as that when Thai fishing boats were seized by Malaysia in the Gulf of Thailand. One of the reasons for such arrests is that the Thai fishermen have exhausted all the fishing grounds in Thai waters in the Gulf of Thailand. Another reason that the sea life in the waters of neighboring countries is so abundant is that the local people are not good at fishing.

Thai fishermen are known as the most modern fishing crews in the world. Thailand is the leading or second leading fishing nation in the world.

But the Thai fishermen in their boats cheat by catching fish in waters that belong to others. In addition, the Thais catch fish because our equipment is better and we are more experienced.

To carry out fishing in others' waters, we must meet their conditions, such as taking their crews on board or unloading fish at their ports first. This means that they select the best first and pay us low prices; then they let us take the remaining fish home. They take advantage of us, and the fish left over after leaving their ports usually do not cover the cost of taking out the boats to go fishing.

We are currently fishing by agreement with Sri Lanka and Bangladesh. If we are successful in coming to an agreement with Vietnam, that will be a good way to protect our people from being taken prisoner in Vietnam, as is happening at present.

But there are problems that might come with this agreement because Thais will doublecross them. Sooner or later, there will be problems because Thai fishermen catch not only fish, but other things are quite often mixed up with the fishing, such as liquor, cigarettes, watches, videos, and stereos.

On the way to go fishing in Vietnam, they will undoubtedly have Thai cigarettes, soap, sugar, detergents, batteries, clothing and other consumer goods or even some strategic goods to unload there.

Who does not believe that they will try to sneak in and take a look at the market? You can see Thai goods in abundance in the middle of downtown Saigon.

If these do not come by boat, how do they get there?

12597/7358

NAVY CHIEF OF STAFF COMMENTS ON ENEMY, NAVY OBJECTIVES

42070264 Bangkok KHAO PHISSET In Thai 15-21 Jul 87 pp 23-26

[Interview with Admiral Komut Kamonnawin, the navy chief of staff; date and place not specified]

[Excerpts] [Question] In the preparation of this year's fiscal budget, how much money was allotted to the navy? The navy's budget is the smallest of the three branches of service, isn't that right? Does the navy have any problems with respect to this budget?

[Answer] For fiscal 1987, the navy's budget is 7.91 billion baht, which is the smallest of the three branches of service. This is also about 69 million baht less than our 1986 budget. At the same time, the number of naval personnel has increased, which means that the salary expenditures will increase approximately 140 million baht as compared with last year. Thus as compared with 1986, in 1987 the navy will actually have about 200 million baht less at its disposal. The navy's budget has been cut at a time when the responsibilities entrusted to it have increased. This is creating great problems for administering things and carrying out the tasks. We have not received sufficient funds to maintain and restore our equipment. Moreover, we have had to halt the procurement of new weapons and equipment and stop developing the forces. We cannot do things based on our original objectives.

As for the 1988 budget, in the draft budget that was sent to parliament for its first reading, the navy received a 5.6 percent increase as compared with 1987. That translates into an increase of approximately 442 million baht. Of this, salary increases account for approximately 216 million baht. Thus, the actual increase is about 226 million baht. Most of this money will be used to carry out tasks or projects that had to be halted in 1987 in order to pay compensation for the foreign exchange rates. Last year, the navy signed purchase agreements amounting to approximately 400 million baht.

[Question] In the period prior to 1951, great importance was attached to the navy. But today, why hasn't the navy reestablished old units such as the navy military district or strengthened its ground units?

[Answer] Today, the navy's objective is to defend the country at sea. The combat forces used to defend the country include ships, aircraft, and marines.

In particular, attention will be focused on developing the marines so that they are capable of supporting the ground operations of the ground forces in areas for which the navy is responsible, such as Chanthaburi and Trat provinces. The marines who are defending the border and suppressing terrorists in Chanthaburi and Trat provinces in the east and in Narathiwat in the south have carried out their duties firmly and resolutely. They are the equal of anyone. The navy is very proud of the results achieved by these brave men.

[Question] Are there any plans to increase the number of warships?

[Answer] This must be done on an on-going basis. We have to increase our capabilities.

[Question] Is any thought being given to procuring submarines for the navy? Why hasn't the navy acquired submarines? Several of the ASEAN countries attach great importance to having submarines.

[Answer] The navy has plans to acquire submarines. What has prevented the navy from implementing this plan is that our annual budgets have been very tight.

[Question] If you do purchase submarines, how many will you purchase?

[Answer] The plans calls for the purchase of two submarines initially.

[Question] Has the navy ever conducted a survey to determine how many of the fishing boats, or commercial boats, could be converted for use during wartime? Has the navy ever had a policy of making use of these boats in the event of war?

[Answer] The navy surveyed the commercial and fishing boats in 1979 in order to formulate a plan for controlling these boats during wartime or during an emergency. The purpose is to ensure the safety of the commercial boats and fishing boats and to make use of these boats during wartime.

The navy has thought about modifying or converting these boats so that they can provide support. We will try to modify only the number actually needed. And we will try to keep the modifications to a minimum so as not to waste money or time in making the modifications.

[Question] Are armed commercial boats being used to conduct patrols in Vietnamese or Cambodian waters?

[Answer] They are presently using armed fishing boats. We, too, are using fishing boats.

[Question] What is the main mission of Vietnam's armed fishing boats?

[Answer] They use them to supplement their naval combat forces, which they are in the process of developing. As far as we know, they use these boats to patrol the coast.

[Question] What is the situation like with respect to protecting the fishing boats in territorial waters? In particular, there are often reports that Thai fishing boats frequently violate the territorial waters of other countries.

[Answer] One of the missions of the navy is to protect fishing boats operating legally in Thailand's continental shelf zone. There aren't any problems. Because normally, the navy orders the special action units operating at sea to protect and help the fishing boats that encounter problems. But I would like to stress that the navy will protect only those fishing boats that are operating legally.

Furthermore, in order to provide increased protection for the fishing boats, the navy has held training seminars for fishermen and for National Security and Volunteer Defense Corps sea personnel. The purpose of the seminars is to provide the fishermen with information on carrying on fishing activities and helping the government as necessary.

[Question] Can you tell us anything about the latest dispute between Thailand and Malaysia over a violation of territorial waters?

[Answer] The government is now holding talks on this. We must wait until the negotiations have been concluded. The navy will then carry out the tasks assigned it.

[Question] Has the navy assessed the capabilities or present activities at the Cam Ranh, Danang, and Kompong Som naval bases?

[Answer] The navy has monitored activities constantly, particularly the development of the naval bases and ports in Vietnam and Cambodia. Because if enemy naval forces intend to attack Thailand, they will have to rely on these naval bases and ports. These will be the points where they assemble forces, make logistics preparations, and repair their ships. The naval bases and ports in which we are particularly interested include the port of Kampong Som and the Ream Naval Base in Cambodia. We are also very interested in the naval bases that have been developed and expanded quickly. This includes the Cam Ranh naval base in Vietnam. From monitoring the activities at these bases and ports, we have learned the following:

The port of Kompong Som is being used as a logistic point to support the Vietnamese troops operating in Cambodia. It is very difficult for Vietnam to provide logistics support by land from Vietnam. This is because there are few roads, and the roads that do exist are not good. And along some roads, the goods have to be ferried across rivers and lakes. The Soviet Union is providing help in repairing and improving the port. It has provided equipment used to transport goods and built several godowns to store goods and war materials.

The Ream Naval Base is a Cambodian base. But Vietnam uses and controls the base. It has stationed warships and troops there. The improvements made at the Ream Naval Base include the construction of oil storage tanks, troop barracks, and support buildings. It is thought that Soviet warships, which have always

docked at Kompong Som, will now start using the Ream Naval Base. Kampong Som will be used for handling cargo and war materials only.

As for the Cam Ranh Naval Base, the Soviet Union has been using the facilities here ever since 1979. It has provided help to develop this base quickly. It is now capable of supporting part of the Soviet Pacific fleet (approximately 23-25 ships at a time). This is thought to be the Soviet Union's largest naval base outside the Soviet Union. Recently, construction on dock No 7 was completed and so the base can now handle even more Soviet warships. Besides this, they have also built troop barracks, logistics facilities, particularly facilities to support nuclear submarines, offices, and barracks for Soviet marines. The garages can hold up to 100 vehicles. The Soviet Union has also based navy aircraft here, including 8 Bear and 16 Badger aircraft. Fourteen Mig-23 Flogger aircraft of the Soviet air force are based here, too. Besides posing a threat to Southeast Asia, the development of this base and the stationing of forces here also pose a threat to Thailand.

[Question] Where is the Ream Naval Base located?

[Answer] It is located east of the port of Kompong Som on the island of Ream.

[Question] How many submarines are at the Cam Ranh Naval Base?

[Answer] It is thought that submarines call at...that is, there are some based here.

[Question] Comparing the U.S. 7th Fleet with the Soviet Fleet in this region, which is stronger?

[Answer] There have been many reports stating that the Soviet Pacific fleet has expanded very rapidly. This is because everyone has looked at the increase in the number of naval forces that the Soviet Union has moved into the Pacific. People became even more alarmed when the Soviet Union obtained the use of the base at Cam Ranh, which is in a position to control the shipping lanes between the Indian and Pacific oceans. And many think that the Soviet naval forces in Southeast Asia are already stronger than those of the United States. But if this is examined closely, it can be seen that it will take the Soviet Union a long time to catch up with the United States in this region. This is because the Soviet Union has just one base, that at Cam Ranh, while the United States has bases in both Japan and the Philippines. In measuring the strength of naval forces, we don't look just at the number of ships. We also have to look at combat/operations experience and logistics. Besides this, in modern naval warfare, much importance is attached to air forces, which support and protect the naval forces. With respect to these factors, the United States still has the advantage over the Soviet Union.

[Question] Does the Soviet Union have any weapons that are superior to those of the United States?

[Answer] Not yet as far as Southeast Asia is concerned. Their naval forces do not yet compare to those of the United States.

[Question] Then you feel that the United States is still more powerful, is that right?

[Answer] Even though the Soviet Union is gradually building up its forces, at present, their forces are still inferior. But that could change in the future.

[Question] What is your view on building the "Kra Canal?" This would open up another sea lane. What is your view on this from the standpoint of naval strategy?

[Answer] The navy is not in a position to say whether this canal should be built. Giving an opinion is the government's responsibility. It is the government that is responsible for considering the effects of this. As for the advantages and disadvantages of building this canal, the navy feels that building this canal would benefit the navy. We would have a new shipping lane. We would have another way of getting our ships into the Andaman Sea. This would benefit naval operations if a threat should arise in that region.

[Question] What is the policy on developing the navy in the future?

[Answer] Because of the great advances made in science and technology and in weapons systems and equipment, it is essential that we develop our capabilities with respect to personnel, materials, and tactics.

Personnel: Our personnel must be developed so that they are capable of using the new ships and equipment. We must improve education and training at the navy's institutions and send personnel to various institutions both here and abroad for additional training.

Materials: We must improve and upgrade our combat forces as quickly as possible based on our combat strength and the budget funds allotted us. This will be done based on the plans and structure of the Thai navy. That is, we will be able to do many things and handle threats in both conventional and unconventional warfare by expanding or replacing our existing forces.

Tactics: Because the capabilities of modern weapons have advanced so much and because countries try to conceal these advances, the navy must do research in order to establish and improve the tactical foundation of modern weapons.

#### [Biography]

Admiral Komut Kamonnawin was born on 10 October 1928. He is the son of Vice Admiral Phraya Ratchawangsan (Si Kamonnawin) and Lady Chit Ratchawangsan. When he was a child, he accompanied his father, who was the Thai ambassador to Paris and London. He attended general schools in France and England.

After the outbreak of the Second World War, he returned to Thailand and attended Saint Gabriel School and Amnuaisin School. In 1950, he graduated from the Naval Cadet School, scoring first in his class.



During his career, Admiral Komut has received additional education both here and abroad. His career in the navy can be summarized as follows:

It was Admiral Komut who picked up the the destroyer Long Lom in the United States and sailed it back to Thailand. He attended the Artillery School, the Electrical Officers School in France, and the artillery and radar schools in Denmark.

After graduating from the Navy Command and General Staff College, he served with the Royal Thai Fleet, serving as captain of the Suratsadon, a large torpedo boat, and the Rattanakosin, a gunboat. He then attended the French Navy Command and General Staff College and the Command and General Staff College in Paris.

He served as the assistant naval attache in Paris and acting naval attache in Madrid and Bonn. On his return, he was appointed chief of the Operations Division, Naval Operations Department. In 1977 he was promoted to rear admiral and appointed chief of the Fleet Training Command and then director of the Naval Operations Department. In 1984 he was promoted to vice admiral and appointed assistant navy chief of staff for operations. During the military reshuffle at the end of 1986, he was promoted to admiral and appointed navy chief of staff. Besides this, Admiral Komut has taken advanced classes at several institutions. For example, he attended the National Defense College as a member of Class 25. He now serves as a senator, too.

Admiral Komut Kamonnawin is thought to have a "shot at" being appointed RTN CINC during the 1987 military reshuffle. Other contenders for this position are Admiral Praphat Kritsanachan, the assistant RTN CINC, and Admiral Chat Ditsabanchong, the commander of the Royal Thai Fleet. By the end of this September, we will know whether the new RTN CINC is Admiral Komut.

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THAILAND

NAVY CHIEF OF STAFF: UN CUTS FUNDS FOR ANTIPIRACY WORK

42070268d Bangkok SIAM RAT in Thai 16 Jul 87 pp 1, 16

[Unattributed report: "Navy Stifled in Trying To Suppress Piracy; UN Reduces Support Funds"]

[Excerpt] At 1030 hours on 15 July at the Songkhla Naval Station, Admiral Komut Kamonnawin, the navy chief of staff, presided at a ceremony to extend the treaty based on the piracy-control program, which is being supported by the United Nations through the UN High Commissioner for Refugees [UNHCR]. This is the sixth time that this treaty has been extended. The UNHCR will provide 30.6 million baht in aid.

Admiral Komut said that it is very difficult to control piracy because the Gulf of Thailand is very large and four countries border the gulf. As a result, the navy cannot carry on control operations everywhere. Besides this, the navy has few forces and a very small budget. Another factor is that Vietnam is still exerting pressure on people from southern Vietnam to leave the country. Many Vietnamese refugees try to sail to Thailand, which makes them easy prey for pirates.

Admiral Komut said that the United Nations provides funds for this piracy control program on a yearly basis. The 1st year, it gave 52.8 million baht. For the 2d, 3d, 4th, and 5th years, it gave 52.1 million, 67.3 million, 47.3 million, and 36.8 million baht respectively. And this year it has allotted 30.6 million baht. It can be seen that the funds allotted by the United Nations have been declining. The reason is that the number of acts of piracy has declined. During the first 5 months of 1986, 21 percent of the Vietnamese boats that arrived here had been attacked by pirates. But during the first 5 months of this year, the figure declined to only 5 percent. The United Nations is satisfied with the results of the suppression activities.

Admiral Komut said that the amount of money allotted is not enough to carry on the suppression activities. The navy has had to allot another 27 million baht from its budget in order to pay the salaries of the 135 men involved and cover the cost of the weapons and equipment used.

The navy chief of staff said that in coming years, if the United Nations feels that goods results have been achieved, it may stop providing aid to the navy.

That would cause serious problems, because there would not be sufficient funds to support this. As long as Vietnamese continue to flee Vietnam, there will continue to be pirates in Thailand. The navy is doing everything possible to find money to cover the cost of these operations and develop its capabilities. Today, we need highly efficient boats. But we don't have money to purchase them.

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CHIEF OF STAFF COMMENTS ON RTAF MODERNIZATION, TACTICS

42070265 Bangkok MATICHON in Thai 3 Aug 87 p 3

[Interview with Air Chief Marshal Kaset Rotchananin, the RTAF chief of staff; date and place not specified]

[Text] [Question] What major projects has the air force planned for the coming fiscal year?

[Answer] The Air Force Development Program is a 5-year program that began in 1984. The projects that have already been implemented include the air defense system development project, which is called "R Pack," and the project to improve the capabilities of our existing F-5 E and F aircraft. And as is known, we have purchased 12 F-16 aircraft at a cost of 9 billion baht. We will begin taking delivery of these aircraft, four at a time, in June 1988. These F-16 aircraft will be based at the Korat wing. In preparation for taking delivery of these aircraft, we are improving the Korat air base and building sectors to park these aircraft. We will build 12 sectors capable of protecting the aircraft from enemy air attacks. Each sector will have fuel and weapons services. Besides this, we are building various buildings to do repair and maintenance work on the F-16 aircraft. This is a fairly expensive project.

As for the "R Pack" project, because the various radar stations located throughout the country received U.S. support more than 20 years ago, the radar in use at these stations is very old and must be repaired frequently. And it is a system that uses officials to control things. However, today's attack aircraft and bombers are very fast, and it takes our present air defense system 10-12 minutes to detect and identify incoming enemy aircraft. If our enemy, that is, Vietnam, uses bases in Cambodia or Laos, they can reach important objectives, particularly Bangkok, in about 10 minutes. Thus, we would not have time to take defensive action and destroy the enemy aircraft.

Thus, we have decided to upgrade our air defense system to an automatic, computer-controlled system. We have already begun building this system. It will be completed in 1989. The time needed to take defensive action and destroy the targets will be reduced by approximately 4-6 minutes, which will give us time to destroy the enemy before they reach their target.

This project will be carried on in various regions. Our first priority is in the northeast and east, which is where the enemy, that is, Vietnam, Cambodia, and Laos may strike from. We will spend about 6 billion baht on the project here. The second region will be the north, and the third will be the south. The projects in each of these regions will cost about the same.

There is also the program to improve the capabilities of our F-5 E and F aircraft. We have two squadrons of such aircraft. One squadron is based at the 1st Wing in Korat. The second is based at Takhli in Nakhon Sawan. The weapons system used on this aircraft is not perfect, or accurate, and its defense system is very poor. We think that upgrading these aircraft will be worth the cost, because we have two squadrons. This will cost approximately 1 billion baht. We will develop several things. For example, the aircraft will be equipped with an accurate weapons system. This system will use a computer and radar.

A second system is the system that will help guide the aircraft to the target. We will install modern equipment that will help determine the flight path. Using this system, if we want to attack a certain target, if we know the coordinates, we can write a program to guide the aircraft to the target accurately.

Another system is a self-defense system to prevent the aircraft from being hit by a rocket or locked on by radar. A small metal charge will be installed in order to prevent enemy radar from picking up our aircraft. There is also a system to destroy rockets fired by the enemy. We will also install a radar system to enable our aircraft to sight enemy rockets or the approach of the enemy. Enemy rockets or aircraft 30 miles away will appear on the radar screen. This will enable us to determine whether the enemy is approaching and whether any rockets have been fired. There is also the ECM system. If the enemy uses radar, their radar readings will be wrong, because this system will jam the radar.

[Question] Would you tell us about the capabilities of the F-16 aircraft? What preparations have been made to take delivery of these aircraft?

[Answer] We are training personnel, particularly pilots and mechanics capable of repairing and maintaining the aircraft and the communications and electronics systems. Pilots and mechanics will be sent to take 1-year courses in the United States. Pilot training is very expensive. We will send our top pilots for training. After they have completed their training, they will be responsible for training other pilots here.

We began taking steps to prepare our personnel a long time ago. The air force, particularly the AF Academy, has tried to send large numbers of people abroad for training. We have sent more people than any other branch of service. We have sent people to obtain their bachelor's and master's degrees in preparation for taking delivery of the F-16 aircraft and modern systems. We have been preparing air force personnel for 4-5 years now so that they will be

ready to use the new technology. As for computer technology, which is high technology, the AF Academy began offering a bachelor's degree in computer science approximately 3 years ago.

[Question] There have been reports that a weapons computer center has been established.

[Answer] We do have one center, the Science and Weapons Systems Development Center, which is responsible for conducting research and developing various weapons and systems to make us more self-reliant. As is known, the air force has built a rocket. This was done by this center. Each of the F-16 storage areas will be used as a repair and maintenance center.

[Question] Will additional F-16 aircraft be purchased?

[Answer] As for the reports that additional F-16 aircraft will be purchased, from the very beginning, we planned on purchasing one squadron. This was our plan 5 years ago. But because of the rise in the value of the dollar, we could afford only 12 aircraft. But normally, a fighter squadron has 16 aircraft and 4 reserve aircraft for whenever there are losses. The RTAF CINC thinks that we should purchase additional aircraft, because 12 aircraft are not enough. Eight of these are single-seat aircraft. The other four aircraft are used for training purposes. In combat, there are bound to be losses, and so we should try to purchase the full number. Thus, we have formulated a project to purchase an additional 8 aircraft for a total of 20 aircraft.

But the sale of F-16 aircraft must be approved by the U.S. Congress. The RTAF CINC submitted a request for an additional eight aircraft. There are reports that the United States has approved selling these additional aircraft to the Royal Thai Air Force. But this does not mean that we will purchase all eight aircraft this year or next year. We will try to find the money to purchase two aircraft each time. If we had enough money, we would purchase all eight aircraft as approved by Congress. This program is now being discussed with the parliament and government of Thailand.

[Question] What about aircraft parts?

[Answer] When we made the decision to purchase these 12 aircraft, we purchased sufficient parts for 2 years. This was considered to be part of the package deal. But we must consider other parts, because there will be an on-going need for parts.

[Question] In forming this squadron of F-16 aircraft, what consideration was given to the capabilities of the enemy?

[Answer] We know that the Vietnamese air force has received modern fighter aircraft from the Soviet Union. That is, approximately 14 Mig-23 aircraft are based at the Cam Ranh air base in southern Vietnam. The Mig-23 is faster than any of our present aircraft. Because the Soviet Union has provided Vietnam with Mig-23 aircraft, our air forces are at a disadvantage. Today, Vietnam has approximately 200 fighter and attack aircraft. We have 2 squadrons of F-5 aircraft, or approximately 50 aircraft. That gives them a 4 to 1 advantage.

And with Mig-23 aircraft, they have an even great advantage. Thus, we have to take steps to gain parity with the enemy. As compared with the Mig-23, the F-16 has a superior weapons system, it is faster, and it performs better. If the Soviet Union does not provide support, I think that we can hold our own against Vietnam. We will have higher performance aircraft, but they will have more aircraft.

[Question] Are Chinese aircraft on a par with the Mig-23?

[Answer] At present, China has F-7 aircraft, which is similar to the Mig 21. China has built these aircraft, modeling them on the Soviet Mig-21. They are inferior to European and American aircraft. Even though they are fast enough, the weapons system is inferior to that on European aircraft. We looked at the F-7 but decided that they were inferior to European aircraft. But if they want to give us aircraft free of charge, that is another matter.

[Question] Recently, accidents involving aircraft have occurred quite frequently. What will be done to solve this problem?

[Answer] Statistics show that most of the accidents involving our aircraft have been due to the weather conditions. For example, in the case in which an air force F-5 crashed into a mountain, the pilot did not make good preparations. That is, he went ahead and took off without taking the weather conditions into account. If people make bad decisions, there will be losses. But we don't have that many crashes, because our aircraft are checked and repaired periodically. After every 100 hours of flight time, the engines are overhauled. And every 1,000-1,200 hours, the aircraft undergoes a major overhaul. For example, helicopters undergo major overhauls every 4 years.

[Question] What about the incident involving the Crown Prince at the Sakon Nakhon air base?

[Answer] The Ban Khai air base belongs to the army. The runway at that airport is long enough, but it is not as long as those at Don Muang or Korat. It is approximately 1,400 meters long, which is long enough. It was raining the day that the Crown Prince landed there, and so there was water on the runway. It was dangerous to apply the brakes, because the runway was slippery. The Crown Prince did very well. Normally, if the pilot does not make the right decision right away, the plane will go off the runway. The prince applied the brakes fully and the tire burst. That is common.

[Question] Couldn't something have been done in advance to improve conditions at this airbase?

[Answer] Probably not. Normally, we are very careful about this (water on the runway). For example, 2 months ago at Korat, during an air inspection, it began to rain heavily. The first aircraft that landed blew a tire. The second aircraft careened into the first aircraft, hitting the wing. Both aircraft suffered moderate damage. But we were able to repair them. In the case involving the Crown Prince, the runway was not very good. That is, it is a concrete runway, which makes it even more slippery, and it is short. If it had been longer, he would not have had to brake so hard. But he had to brake and

so the tire burst. If he had not taken appropriate action, he probably would have gone off the runway.

We will give a commendation to the Crown Prince. Because if a pilot makes the proper decision and manages to save national property, we issue a commendation praising his ability. This is an internal matter. We have to be certain that the person has done the right thing in order to encourage him.

[Question] What steps have been taken to improve the standard of living of the lower-ranking personnel?

[Answer] As for welfare programs to maintain the morale of air force personnel, the RTAF CINC has feels that these are very important programs for lower-ranking personnel and all air force personnel. With respect to living quarters, the RTAF CINC has earmarked part of the budget to build living quarters for all personnel stationed with wings in the provinces. At Don Muang, which is the air force center, there is housing for approximately 20 percent of our personnel. At present, we are building housing at a cost of about 180 million baht.

Second, every year, part of the budget is reserved for welfare activities for lower-ranking personnel. For example, at New Year's, rice is distributed, or they are given coupons to purchase goods at the air force PX. This builds the morale of our personnel. In particular, the PX at Don Muang sells goods at a lower price than at the markets or cooperatives. We sell children's school items, clothing, handbags, and other school items, at below cost in order to help lower-ranking personnel and officers. We also sell food at low prices. We operate a restaurant at RTAF Headquarters for NCOs. Breakfast is only 6 baht. People can eat as much as they want. Lunch is 8 baht. Again, people can eat as much as they want. This is considered to be one of the benefits that we provide.

We also have an agricultural program. The RTAF CINC wants air force families to earn extra money from agricultural activities. Thus, every air force wing encourages people to carry on agricultural activities and raise livestock. There has been great development. I am in charge of this policy and have made trips to observe things. Sometimes, things are done improperly and so instead of helping, this just makes things worse for the families. Because in raising livestock, things must be done properly. For example, people feed hogs water hyacinth and scraps. Thus, the hogs do not grow properly. Instead of being able to sell them after a month, the families have to raise them for 3-4 months. Farmers have shown me the process involved in raising hogs. We are trying to show these families the right way to raise livestock. We don't want them to leave things to chance, which is just a waste of time.

[Question] What is your view on abolishing the position of supreme commander and establishing a joint chiefs of staff instead?

[Answer] Military positions have been stipulated by royal decree. This decree stipulates what units and personnel Supreme Command Headquarters is to have. At present, the position of supreme commander is vacant, which is fine. Because even though there is a position, it does not have to be filled. The



positions of supreme commander, chief of staff officers, and deputy chief of staff officers need to be filled only during times of war.

I have just learned from the newspapers that the position of supreme commander will be abolished or left vacant and that we will have a chief of staff officers. But the present royal decree clearly states that Supreme Command Headquarters is to be headed by a supreme commander. If we have only a chief of staff officers, the chief of staff officers will not have the legal power to direct things. Thus, this cannot be done. I think that a supreme commander will have to be appointed. But it is not necessary to have deputy supreme commanders. There must be a chief of staff officers, because the commander must have an administrative section. But it isn't necessary to have a deputy chief of staff officers if the work isn't too heavy.

As for improving and developing Supreme Command Headquarters, if we consider this carefully, it can be seen that the American system is not suitable here. In that system, there is a chairman of the Joint Chiefs of Staff. We must take our time in considering this. It will take the military at least 5 years to adjust to the new system. That is, it will take at least 2 years to revise the royal decree. And it will take another 3 years for the military to make preparations. After Supreme Command Headquarters has changed to the new system, what will the military do? What positions will there be so that the military can find suitable personnel? As for this year, people have already been picked for assignment to Supreme Command Headquarters. If the positions aren't filled, things won't be right.

11943

DAILY: CHARTER CHANGE WOULD BRING ARMY THREAT TO DEMOCRACY

42070268c Bangkok SIAM RAT in Thai 16 Jul 87 p 8

[Editorial: "Revising the Constitution Will Bring Dictatorship"]

[Text] Revising the constitution was once regarded as a very important matter that would help make the country truly democratic. Both opposition and pro-government MPs have frequently tried to find a way to revise the constitution. They have been only partly successful depending on the mood of the government.

Today, people are again thinking about revising the constitution. Many people are talking about this. And the ones talking about this are government supporters, particularly those who respect and support Gen Prem Tinsulanon, the prime minister.

The changes proposed by those government supporters who want to revise the constitution are very different from those proposed in the past. They want to change the way the prime minister is chosen. That is, they favor having the people of the country vote for the prime minister directly instead of having the elected MPs choose the prime minister, which is the way our previous 16 prime ministers have been chosen.

In addition to having the people vote for the prime minister, these people also want to revise the constitution to separate administrative power from legislative power. In this system, the elected MPs could not serve as ministers.

We feel that these proposals to change the constitution pose a great danger, particularly to Thailand's administrative system, that is, our democratic form of administration with the king at the head.

We would like readers to note that those who are proposing these changes to the constitution are all soldiers. Soldiers want to concentrate absolute power in their own hands. These proposals show that they want to turn Thailand's administration into a dictatorship. It would be a dictatorship coming from the people. That is, the people would turn over power.

It's true that this form of administration resembles that used in the United States, which is highly praised for having a democratic form of administration. But in reality, the administration of the United States has the characteristics of a dictatorship presided over by an elected president. Because during his 4-year term, the U.S. president can do whatever he wants in managing the affairs of the country. As long as his actions concern administration, no one can touch him. No one can topple the president and/or force the president out of office. The only way is if he resigns or dies.

If Thailand has an elected prime minister, the person elected will have great power, because parliament will not be able to control the prime minister. Regardless of how evil the prime minister is, there will be no way to force him to resign, because he was elected by the people. Only the people will be able to force him to step down.

If this is the type of system that is implemented, we feel that there will eventually be an insurrection. Or there will have to be heroes who use 11-mm guns or M-16s to force the prime minister to step down. Is this what we want for Thailand?

11943

ARMY DOCUMENT ON NEW COMMUNIST MOVEMENT, LAO SUPPORT

42070207 Bangkok KHAO PHISET in Thai 11-17 Mar 87 pp 25, 27

[Article: "Secret Document: Exposure of Communist Green Star Revolutionary Movement of Thailand"]

[Text] Over the past 4-5 years, there have been rumors about communists, about the so-called "Green Star," "Yellow Star," or "New Party," and about the "Thai People's Revolutionary Movement" [TPRM]. The groups or movements have been criticized and often talked about, but conclusions about them are still lacking.

Recently KHAO PHISET received an intelligence document from a military work unit that discusses the past and present of these groups and movements in great detail. It reflects intelligence and the views of Thai authorities concerning this movement.

The fact that KHAO PHISET in presenting these documents for the scouting of its readers does not mean that it agrees or disagrees with the information. Here are the main points and details of the document:

I. Green Star Movement

This document explicates the CPT's top internal secrets as compiled by the party's central administration in transmissions to guerrilla or similar units or to the chiefs of important work units only. It concludes:

1. The Green Star Movement actually exists. The group moves around northern Esan or southern Esan in scattered small groups in the jungle, mountainous areas and some urban areas. Its objective is to look for members to serve as the base for supporting international forces that will come in to liberate Thailand, just as Vietnam did in Cambodia. But it is not clear whether it is the same group as the TPRM. The attempt to expand the popular base of the Green Star Movement has not been very successful. Therefore, to say that the Green Star Movement has a 200-300 man armed force probably is not true. The CPT does not have anything to do with Green Star members at all.
2. Green Star or Yellow Star activities have cropped up in various areas, such as along the Phu Phan Mountain foothills in Nakhon Phanom and Makasarakham

Provinces, and Phu Kio Mountains in Chaiyaphum Province, the plains or jungles of Ubon and along the Phu Mieang Mountains that joint Chattrakan District of Phitsanulok Province and Nam Pat District of Uttradit Province. It is noteworthy that intelligence reports have said that certain individuals in these groups resemble Lao or Vietnamese soldiers and cannot speak Thai clearly.

3. It has been learned from following the activities of the TPRM that there are no green stars or yellow stickers at present. In addition, some information has been obtained through questioning former TPRM members who turned themselves in to the government during 1986-87; these people do not know, have never heard of and have not met with the Green Star group at all.

4. We are currently unable to determine exactly what kind of communist terrorist groups the Green Star or Yellow Star movements are, but it is believed that they are not the same movement as the TPRM. In general, the revolutionary movements that have sprung up must be supported by at least one side in the communist camp, the Soviet or Chinese, particularly during their inception when they are not yet receiving support from the local masses. If no such support is forthcoming from these communist lines, it is certain that operations cannot be carried out.

Conclusion: Probability that...

...the Green Star or Yellow Star are...

1. Previously, CPT troops that were active or groups with progressive ideologies who wanted the CPT to carry out revolutionary actions adhered to the Chinese line. They changed the name from Red Star, which is characteristic of China, to Green Star or Yellow Star in order to escape their old image, so that the masses would adopt a new attitude toward them.

2. Lao or Vietnamese troops were sent in to mingle with the new communist party terrorists which constitute the TPRM in order to spy on various situations in Thailand and together eliminate different anti-Lao groups along the Thai border.

## II. Organization of Fronts to Liberate Thais in 16-17 provinces

1. The office of the Prime Minister of Laos issued Order 9 on 4 February 1981 to organize these activities by various committees.

1.1 A committee chaired by Deputy Premier Sali Vongkhamsao.

1.2 An advisory committee of three advisers from the Soviet Union.

1.3 A committee of three advisers from Vietnam.

1.4 A political administration committee of seven men.

1.5 A military committee of 13, including Mr Boonyen.

2. These activities received \$1 million in aid from the Soviet Union and \$200,000 from Cuba.
3. Initial operations were carried out by Laos, which gathered forces from many Thai groups into a new movement, the TPRM.
4. The operations of the TPRM have not been very successful. The TPRM, led by Mr Boonyen Vothong (also known as S. Prakob/Tongchai/Manh) has less than 100 active members. One reason is the internal power struggles within the TPRM: even Mr Kaisaeng Suksai has returned to Thailand.
5. The TPRM has said regarding Thai society that, "Thailand currently is a neocolony that has been oppressed by monopoly capitalism and feudalism, which has resulted in a lack of independence and complete democracy."
6. The TPRM is divided into four operational areas in Thailand, along regional party lines, namely:
  - 6.1 For the Chayaburi area, the staging area is the Na Tak base, and the areas of operations in Thailand are located in Nan, Uttradit, Phitsanulok and Loei Provinces, which are the responsibility of S. Muangthong (also known as Mr Preuang Chomphu).
  - 6.2 For Khamouane Province, staging areas are located in Nongsong, Ban Kang, and Mahasai Districts; the areas of operations in Thailand are in Nakhon Phanom, Moukdahan, Nong Khai, Udorn, and Sakhon Nakhon Provinces, which are the responsibility of S. Sakda (also known as Mr Sithat Rajsit).
  - 6.3 For Savannakhet Province, the staging area is unknown; the areas of operations in Thailand are Ubon, Yasothorn, and Roi-et Provinces, which are the responsibility of S. Chaiden.
  - 6.4 For the Champassak area, the staging area is unknown; the areas of operations in Thailand are unknown, but the responsibility is that of S. Thanong and S. Sa-ngop.

#### Conclusion

In the present situation, the chances that the TPRM will revolutionize Thailand are very remote because it has many weak points:

1. The local people have not supported this movement because of the perception that it operates under the command of the Soviet Union, Vietnam, and Laos. The movement is perceived as using foreign forces to foment revolution in Thailand, which the majority of the people do not agree with. This is an important point, and it indicates that the CPT is currently weakened.
2. Because of this problem, the TPRM must move around secretly. It has tried to hide its name, policy, and strategy and claims to consist of Lao soldiers of liberation, which is an obstacle to its propaganda for expanding membership.

3. The TPRM was established in Laos; it lacks mass support in Thailand, and must rely on aid from Laos and Vietnam; it cannot be self-reliant. In this situation, it is similar to the time when the CPT had to depend on aid mostly from abroad: when the aid is reduced, the party faces a crisis. Comparatively, the CPT has a better base of popular support.

4. Most of its members are not efficient, even though some of them have joined up with the CPT. In joining the TPRM, they hoped for a better future, but in reality they are encountering problems, difficulties and competition within the party. They are under such strict control by Laos and Vietnam that they have no voices.

5. Lao and Vietnamese officials have emphasized the goal of seizing the 17 provinces in Esan. Consequently, they have stressed the aim of expanding the popular base in the Esan area, and this is in conflict with the wishes of the TPRM members and leaders, who want to revolutionize Thailand entirely, not just to liberate Esan. This is linked with the idea of an Indochina federation that will send frontline combat troops to operate the TPRM and be used to fight against reactionary groups in Laos and Cambodia. The group wants to create a revolution in Thailand, but it does not know when the occasion will present itself.

12597/9716

DAILY SEES DEMOCRACY AS FAILURE, BLAMES PARTIES

42070268a Bangkok SIAM RAT in Thai 15 Jul 87 p 8

[Editorial: "Will There Be a Change to a New System?"]

[Text] At present, several factions are releasing reports as "trial balloons" to determine whether the people think that our present system of parliamentary democracy is failing and, if so, whether it is necessary to look for a new system.

These "reports," or "trial balloons," have taken three forms:

1. People have charged that the government has been very inefficient in administering the country. They claim that it is irresolute and unbusiness-like and that it lacks unity because it is a coalition government composed of several political parties.
2. Parliament is a failure. It is not able to use its powers to control administrative and legislative activities in order to satisfy the needs of the people. This is because most of the MPs support the government. As a result, there is a parliamentary dictatorship. Parliament is completely under the influence of the government.
3. The political parties have lost all power to formulate policies to satisfy the real needs of the people. The parties are dominated by just a few groups of people. And most of these are interest groups or agents of the most influential groups in the country. Not one of the political parties is really dedicated to serving the largest group of people in the country, that is, the farmers (particularly those who grow rice and upland field crops).

The political parties are wracked by internal splits. Party members are concerned more about their own interests and those of their friends than they are about the interests of the people.

Many people are looking for a way to solve these problems. They are trying to get people to see that this style of politics and administration will just lead the country to ruin. Because whenever there is an election, votes are purchased. As a result, the only people elected to parliament are the representatives of wealthy groups.



Various solutions have been proposed:

1. Revise the constitution. For example, have an elected prime minister.
2. Separate administrative power from legislative power, with the prime minister responsible for forming his cabinet. MPs will have only one duty and that is to make laws.

If such a system is implemented, the prime minister will have total administrative power. The legislative branch will not be able to oppose or object to anything.

Actually, giving this power to the prime minister alone will facilitate administration. The only thing is, the prime minister must be a very capable person who can be trusted completely. If the prime minister's real objective is to gain power and influence, it is the people who will suffer. And unlike before, they will not be able to make appeals through parliament. Thus, we do not feel that the system should be changed in this way.

In conclusion, today, people are saying that our present democratic system has failed and that it should be changed. We feel that such a conclusion is too hasty. Because actually, the present system has not failed. It's just that some people are exerting pressure to make others think that it has failed so that a new system can be implemented, which would enable them to grab power. We don't know how many people are aware of the new line and are prepared to offer vigorous opposition.

11943

UNION CHIEF HITS CHARGES OF FOREIGN MANIPULATION OF BANGKOK POST

42070268b Bangkok SIAM RAT in Thai 17 Jul 87 pp 1, 16

[Unattributed report: "POST Refutes Charge by Editor of THE NATION, Says that Foreigners Own Only a Few Shares"]

[Text] The BANGKOK POST Labor Union issued a statement and submitted a note to the Press Association of Thailand condemning the action taken by Mr Sutthichai Yun, the editor of the THE NATION. Mr Yun wrote an article under the pen name "Black Coffee" in last Sunday's edition of MATICHON. The article stated that foreigners have purchased sufficient shares in the BANGKOK POST to enable them to take over management of the newspaper and set policy for presenting the news. He also asked that government officials monitor this matter.

Mr Awut Phetnoi, the president of the BANGKOK POST Labor Union, stated that the labor union held a meeting on 16 July to discuss this matter and passed a resolution to issue a statement and submit a note to the Press Association on 17 July.

Mr Awut said that the labor union feels that Mr Sutthichai had bad intentions in printing this article and that he attacked the BANGKOK POST in another newspaper in order to make a profit. Mr Sutthichai has done this several times in the past, but the BANGKOK POST has never retaliated.

Mr Awut said that Mr Sutthichai claimed that foreigners have purchased sufficient shares in the BANGKOK POST to enable them to take over management of the newspaper and set policy for presenting the news. And he asked officials to monitor this. The labor union of the BANGKOK POST has studied the data and feels that the Bermuda Company, which has purchased shares in the BANGKOK POST through the securities market, has purchased relatively few shares. Moreover, it purchased these shares legally.

As for the Bermuda Company playing a role, Mr Awut said that this company has assured the BANGKOK POST that it will not interfere in the management of the newspaper or in setting policy concerning news presentation. Mr Sutthichai claimed that the BANGKOK POST is a foreign newspaper that employs large numbers of foreigners. But the fact is, only a few foreigners work for this newspaper. Mr Sutthichai's statement is not true.

As for Mr Sutthichai's request that government units supervise things, Mr Awut said that this is disgraceful. This goes against the ideals of the press. Mr Sutthichai once appealed for freedom of the press in presenting the news. But now he has taken this action, which is just the opposite of what he once said. This is very distasteful to those in the newspaper business.

Mr Sutthichai said that he wrote this article out of concern for the Thai reporters at the BANGKOK POST. Mr Awut said that this is just a pretense. The union wants people to know that employees at the BANGKOK POST are now firmly united and they support management. "The situation here is very different from that at THE NATION, where Mr Sutthichai is the editor. About 3-4 years ago, reporters and photographers working for THE NATION tried to form a union in order to protect their interests. But Mr Sutthichai opposed this, and those involved were fired."

11943

THAILAND

IMPORT-EXPORT DUTIES TO CHANGE, REVENUE RISE SEEN

42070267a Bangkok SIAM RAT in Thai 14 Jul 87 pp 1, 14

[Unattributed report: "Import-Export Duties on 10 Types of Goods To Be Changed"]

[Text] A high-level news source in the Ministry of Finance has informed SIAM RAT that the Ministry of Finance is now in the process of changing import-export duties on 10 types of goods. Duties on some of these items will be reduced while duties on others will be increased. The ministry's objective is to encourage domestic production. It wants to support the production of export goods so that producers can compete with other countries in selling their goods.

The news source said that the goods on which import duties will be reduced include (1) "dimeric" acid, import duty will decline from 35 percent to 15 percent; (2) materials used as components of blast furnaces based on Schedule 68.16 B, import duty will decline from 80 percent to 35 percent; (3) metal molds made from gold, reduction from 30 percent to 20 percent; (4) medical instruments and equipment--schedules 90.17 and 90.18--that are produced using high technology and that are not produced domestically, import duty will drop from 15 percent to zero; and (5) compounds that stimulate crop growth, duty will drop from more than 10 percent to 10 percent.

The goods on which import duties will be increased include: (1) processed lumber based on Schedule 44.05, duty will increase from 7 percent to 12 percent; (2) forged steel valves used in producing carburetor and exhaust pipes, rate will increase from 17 percent to 30 percent; (3) lead based on Schedule 78.01, duty will increase from 8 percent to 12 percent; and (4) steam power boilers with a capacity of 1-10 metric tons per hour, duty will increase from 20 percent to 30 percent.

The news source also said that exporters will be allowed to export cashew nut wood, "krathin narong and karthin yak" wood, casuarina wood, margosa wood, and caribaea and "ocaba" pine wood without having to pay a duty.

The news source said that this has been approved by the Ministry of Finance. This will go into effect when it is approved by the cabinet.

Concerning this adjustment in import-export duties, a news report stated that this will cost the government 17 million baht a year in lost revenues. On the other hand, it will save 200 million baht a year in foreign currency. And the duty-free export of timber will earn the country 300-450 million baht a year. These figures for these 10 items are based on current prices and assume that the quantities used remain the same.

11943

CABINET'S ECONOMIC, TRADE DECISIONS REPORTED

42070267c Bangkok SIAM RAT in Thai 15 Jul 87 pp 2, 14

[Cabinet Resolutions column]

[Excerpts] At 0900 hours on 14 July 1987 at the headquarters building of the Government House, Gen Prem Tinsulanon, the prime minister, presided over a cabinet meeting. The following important matters were discussed:

Subject: Report on results of paying for fertilizer with paddy and purchase of paddy during the 1986/1987 production season

The Ministry of Agriculture and Cooperatives reported to the cabinet on the results achieved by the Marketing Organization for Farmers in carrying out the program to accept payment for fertilizer in paddy and to purchase paddy produced during the 1986/1987 season.

1. The program was carried out during the period 1 January to 30 April 1987. Paddy was sold in advance. It was stipulated that the paddy was to be paid for within 9 months. This was carried on in 28 provinces.
2. A total of 36 rice mills in 22 provinces participated in the project. The amount guaranteed totaled 91.46 million baht.
3. As for the results in paying for the fertilizer with paddy and purchasing paddy, a total of 30,729,380 kg of paddy valued at 82,941,148.04 baht was collected.
4. Income from the advance sale of paddy totaled 84,477,616.45 baht. Operations expenses totaled 83,532,166.04 baht, leaving a profit of 945,448.41 baht.

Subject: Permission granted to army to use funds from the Farmers' Welfare Fund to pay for the purchase of paddy to help the farmers

The cabinet granted the army permission to use funds from the Farmers' Welfare Fund to cover the expenses incurred in purchasing paddy to help the farmers.

But the amount must not exceed 5 percent of the amount approved based on the audit of the Office of the Auditor General of Thailand. This is to be deducted from the amount to be repaid to the Farmers' Welfare Fund.

The army has been allowed to borrow 120 million baht from the Farmers' Welfare Fund interest free. The money must be repaid within 1 year from when the money was received. This money has been used to purchase paddy to help the farmers in special cases. The army completed purchasing paddy in cooperation with other government units as of 31 March 1987. As a result, paddy prices rose, and the targets set in accord with government policy were hit. The army incurred the following expenses in purchasing paddy: transportation expenses, labor expenses, expenditures for improvements, expenditures for renting barns, allowances, lodging expenses, and vehicle expenses. Altogether, the expenses totaled 6 million baht. The army has asked permission to deduct this amount from the amount that must be repaid to the Farmers' Welfare Fund.

Subject: Procurement of loan in yen

The cabinet has authorized the Ministry of Finance to borrow 10 billion yen to refinance loans obtained from fourth generation yen bonds. The Provincial Electricity Authority will take over responsibility for this loan debt from the Ministry of Finance, which was the unit that borrowed the money.

The loan terms are as follows: This is a 10-year loan that will be discharged in 5 years. The money will be repaid in 11 equal installments, one every 6 months. The first installment is due in 5 years counting from the day that the loan contract is signed. The interest rate is based on the LTPR (long term prime rate) as of the day that the money is drawn (at present, the rate is 4.9 percent per annum). This rate will remain in effect the entire time. The loan does not carry any representative fee.

The interest rate on the fourth generation yen bonds issued by the Ministry of Finance in 1983 is 8.4 percent per annum. The term of this loan was 7 years. The new loan will carry an interest rate of 4.9 percent per annum. When the fees and other expenditures are included, the effective interest rate will be 5.15 percent per annum, which is 3.25 percent below the original rate. Thus, refinancing will save us 146.35 million baht in interest.

Subject: Revision of customs duties

The cabinet approved Ministry of Finance Draft Statement SK/1987 on raising, lowering and abolishing customs duties on 10 items as follows:

1. The import duty on dimeric acid based on Schedule 38.19 B will be reduced from 35 percent to 15 percent.
2. The import duty on processed lumber based on Schedule 44.05 will be increased from 7 percent to 12 percent. The reason for this is that in August 1986, the rates on logs and processed lumber were set at the same level. As a result, the sawmills that have to import logs from abroad to process lumber cannot compete against imported lumber. Thus, the rate has been increased so that domestic sawmills can compete against imported lumber.

3. The import duty on materials used as components of blast furnances based on Schedule 68.16 B will be reduced.

4. The import duty on forged steel valves used in producing carburator and exhaust pipes based on Schedule 84.06 will be increased from 17 percent to 30 percent.

5. The import duty on lead based on Schedule 78.01 will be increased from 8 percent to 12 percent. However, the rate for scrap lead will remain at 8 percent. The reason for this is that pure and mixed lead can be produced domestically. However, it is still necessary to import scrap lead as a raw material in production. The pure lead that is produced domestically is 99.94 percent pure, and the quality is up to standard. Also, we produce enough to meet domestic demand. Thus, the import duty on pure and mixed lead has been raised in order to protect our domestic industry. But the rate on scrap lead will remain unchanged.

6. The import duty on assembled steam power boilers with a capacity of 1-10 metric tons per hour based on Schedule 84.01 will be increased from 20 percent to 30 percent. The reason is that domestic producers are now able to produce these themselves.

7. The import duty on metal molds made of gold based on Schedule 84.43 will be reduced from 30 percent to 20 percent. The reason is that these molds are needed for the foundry industry and they cannot be produced domestically. The import duty is rather high, and this puts too heavy a burden on our domestic industry. Thus, the rate needs to be lowered.

8. The import duty on medical instruments and equipment--schedules 90.17 and 90.18--that are produced using high technology and that are not produced domestically will be abolished. The minister of finance will issue a list of medical instruments and equipment that are exempt from the import duty in order to encourage both the private and public sectors to invest in modernizing examination and treatment activities. This will help public health activities that are concerned with treating diseases and benefit the people.

9. The import duty on all compounds that stimulate plant growth will be reduced. The present rate stipulated in the customs schedule based on price is above 10 percent. This will be reduced to 10 percent. The reason is that such items can be put to good use in agriculture.

10. No export duty will have to paid on cashew nut wood, "krathin narong and krathin yak" wood, casuarina wood, margosa wood, and caribaea and "ocaba" pine wood based on Type 5 (A), Section 3. This is because the private sector has planted large numbers of such trees. But domestic demand is limited. Thus, exports should be promoted by eliminating the export duty.

Subject: Measures to support the export of increased numbers of vehicles

The cabinet issued a resolution exempting the MMC Sitthiphon Company Ltd from having to pay duty on eight types of equipment used in conducting emission



control tests. This is because these types of equipment are among those exempted based on the 17 March 1987 cabinet resolution.

The MMC Sitthiphon Ltd Company is the first private company to receive support from the Ministry of Industry in exporting sedans. This company signed a contract with Chrysler of Canada on 7 April 1987. It will export 20,000 sedans per year for 6 years. These will be sold in Canada. To hit this target, the MMC Sitthiphon Company Ltd must import and install emission control test equipment based on the standards set by Canada.

Subject: Request to make special use of funds obtained from petroleum concession No 1/2524/19 granted to Esso Udon Inc.

The cabinet passed a resolution granting the Ministry of Industry permission to make special use of the funds obtained from granting petroleum concession No 1/2525/19 to Esso Udon Inc. The money will be used to build and improve the clubs of Ministry of Industry officials and employees. It will also be used for other projects approved by the minister of industry. The Ministry of Industry must obtain the approval of this company.

The original objective of providing capital in granting this concession in Section 6 (5) was to protect the environment in Thailand and prevent pollution.

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THAILAND

FINANCE MINISTRY SEEKS TO REFINANCE YEN LOANS

42070267b Bangkok SIAM RAT in Thai 15 Jul 87 p 6

[Unattributed report: "Finance Minister Goes to Japan To Refinance Yen Bonds"]

[Text] A report from the Ministry of Finance stated that on 15 July, Mr Suthi Singsane, the minister of finance, Mr Aran Thammano, the director of the Fiscal Policy Office, and a delegation will travel to Japan in order to refinance yen bonds valued at 10 billion baht.

On 20 July, the Ministry of Finance will refinance these bonds with four commercial banks and financial institutions: the Bank of Tokyo, Mitsui Trust and Bank Co., Mitsui Bank, and Nipon Life Insurance Co.

These bonds come due on 23 July. The interest rate is 8.4 percent. After refinancing the bonds, the interest rate will be 4.9 percent, and the bonds will have a term of 10 years.

The news report stated that the Ministry of Finance must pay 1.5 percent to refinance these bonds. But this will save the state 58 million baht a year, or approximately 600 million baht over the 10 years.

Besides this, during this trip, the Ministry of Finance officials will discuss the country's loan priority with these institutions. It will be to Thailand's benefit to know its status and to know how much it can borrow.

The report also stated that this delegation will discuss the progress made in borrowing money for the 13th time from the OECF. At present, it is thought that another 82 billion yen will be borrowed.

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## CHAMBER OF COMMERCE LEADERS' GOVERNMENT, BANK TIES NOTED

42070207 Bangkok LAK THAI in Thai 9 Apr 87 p 38

[Article: "Chamber of Commerce of Thailand: Private Giant"]

[Excerpt] In accordance with its election regulations, the election by the Chamber of Commerce of Thailand of a committee of 21 representatives from a pool of full member companies--9 from companies in Bangkok and 12 from provincial chambers of commerce--meant a change in choosing a Chamber of Commerce of Thailand committee, so that provincial chambers of commerce would play a larger role. There are currently chambers of commerce in each of the 70 provinces. The role of businessmen in the provinces is increasingly expanding, because Thailand consists of more than Bangkok.

The election results were as expected, with a majority of old faces on the committee. In particular, as anticipated, 74-year-old Mr Yuk na Thalang, committee deputy chairman last year, is to be the new committee chairman, as well as chairman of the Chamber of Commerce of Thailand. Mr Yuk is a long-time auditor in Thailand; he is from the S.V.J. Na Thalang office and is well known among Thailand's big businessmen. Later, the S.V.J. Na Thalang Office got into legal work as a sideline. Because he had performed as a neutral auditor who was not in agriculture or in business and did not have anything to gain for his own company, Mr Yuk Na Thalang anticipated that he would become chairman of the committee of the Chamber of Commerce of Thailand.

At the executive level, Mr Vichien Techaphaibun, the eldest son of Sir Outhen Techaphaibun, was elected secretary; Mr Chaliao Suwankitti, the godfather of the shipyards, was also elected. Other well-known committee members are Mr Kamchai Iamsuri, successful rice merchant and adviser to the prime minister; Dr At Paolanon of C.P. Company, current adviser to the Social Action Party chief; and Pol Lt Chatchai Bunya-anan, assistant manager of Thai Airways. Those considered new faces on the committee include Mr Van Sansue from the Thai Oil Company, who know each other from Mekong and Hong Kong liquor business; Mr Aphivat Nanthaphivat, banker of the Laem Thong Bank; Mr Bang-Bang Laem Thong, international financial manager for Sir Sombun Nanthaphivat; Mr Phongsak Atsakun of the Thai Samut Company (who controls textile factories in Bangkok and is considered a young businessman with great potential); Mr Warin Phunsiriwong, owner of the NEO NA newspaper who was brought in under the aegis of the World Express Company; and Mr Bunyasit Chokwattana, eldest son of Sir Thiem Chokwattana of the Sahaphattanaphibun

Company. All of these represent new committee members who are highly capable in running giant businesses.

Some of the other old faces on the committee are Mr Burin Hiranyaburana, former director of the Agricultural Marketing Organization; Mr Pramon Suthiwong of Siam Cement; Mrs Chanat Piyaoui of the Dusit Thani Hotel; Mr Prakrit Prathipsen of the Thai Commercial Bank; Dr Som Chatusriphitak for Berli Jucker (who is also to be chairman of the Nakhon Luang Thai Bank); and Mr Chalerm Chiosakun. Former committee members now gone are mostly very old people and want to rest, such as Mr Chalerm Prachuabmoh, the Thai Danu Bank banker; Mr Thawon Nirot, godfather of tour buses who does not have time to be a committee member; Mr Song Bunsuk, chairman of Pepsi; and Mr Bunthom Yenmanot of Thai Galvanized Sheet.

With these giants of business joining, the future of the Chamber of Commerce of Thailand remains one of a "giant" that no one can look down upon. No association or organization now can compare in prestige with the Chamber of Commerce of Thailand, and it will be a long time before one can.

12597/9716

BRIEFS

VOLUNTEER SURVIVOR BENEFITS--The Finance Ministry's proposal concerning benefits for survivors of volunteers on duty has been approved. The measure stipulates benefits as follows: 1) In the case of volunteers paid by salary and on duty for a limited time as well as for temporary employees, survivors must be paid a compensation of 22.5 times the employee's monthly salary. This amount is compensation for the monthly salary only, and does not include other payments. Also, the cause of death must be investigated to determine whether it was incurred on duty. 2) In the case of volunteers who do not have any salary or monthly compensation that can be considered in calculating benefits for their survivors, the survivors are to receive additional consideration under the Royal Decree on the Social Welfare of People in Catastrophes Due to Government Service, National Duty or Humanitarian Duty of 1954. [Excerpt] [42070239c Bangkok LAK THAI in Thai 28 May 87 p 12] 12597/7358

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